Daily Report

Latin America

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FBIS-LAT-90-037 *23 February 1990*

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European Parliament Delegation on Area Problems

PA2302021490 Managua Radio Sandino in Spanish 2018 GMT 22 Feb 90

[Text] Fernando Suarez, who heads a European Parliament delegation in Latin America, has said the European countries expect the Nicaraguan elections to be pure and democratic so these countries can give Nicaragua greater support.

The delegation headed by Suarez, which came to observe the current electoral process, is in Nicaragua on a visit.

[Begin recording] [Suarez] Actions on Central America and Latin America should be intensified. All of the problems in this region must be resolved simultaneously. The problem of the region's pacification must be resolved before the area can develop and before aid for this development can be given. In addition, we think these countries should devise ways to develop on their own, without begging. By their own effort, the Central American nations can contribute toward their self-development. [words indistinct] We should not make any plans to keep them [words indistinct] for this region.

[Unidentified reporter] What is East Europe's influence in the European Parliament? Will the economic aid given to East Europe diminish the aid earmarked for Latin America?

[Suarez] Things should not be considered that way. East Europe is adapting itself to democratic ways and aid from Free Europe. Much aid will be required for Hungary, Czechoslovakia, Poland. This aid, however, will entail less need for arms and will free many resources now being used out of fear and for defensive purposes. In a quieter and much more relaxed country, it is possible to assign much more money for development. Consequently, there is no reason to think that this aid for East Europe will work to Latin America's detriment. Quite the contrary. I think fresh markets, new products, and a (?fresh outlook) on trade, will be necessary. We have predicted that East Europe will be able to connect Latin America's interests with the needs of [words indistinct]. Thus, all of the countries will profit from development. [end recording]

Caribbean OAS Members Request Meeting on Haiti

FL2102232790 Bridgetown CANA in English 2252 GMT 21 Feb 90

[Text] Washington, D.C., Feb 21, CANA—The Permanent Council of the Organization of American States (OAS) meets on Friday [23 February] to consider the current situation in Haiti. The special meeting was convoked by the chairman of the council, Ambassador Didier Opertti of Uruguay at the request of several permanent missions from English-speaking Caribbean nations.

In requesting the meeting, Keith Johnson, Jamaica's permanent representative to the OAS, said: "On behalf of the permanent representatives of Antigua and Barbuda and the Commonwealth of the Bahamas, Barbados, Grenada, St. Kitts and Nevis, St. Lucia, Trinidad and Tobago, and on my own behalf, I have the honour to request the convocation of a special meeting of the Permanent Council ... to consider the situation in the Republic of Haiti."

Caribbean leaders are worried about political developments in Haiti, where the government recently cracked down on its political opponents and the press.

Andean Pact Energy Ministers Sign Agreements

PA2302040390 Paris AFP in Spanish 0721 GMT 15 Feb 90

[Text] Quito, 14 Feb (AFP)—The energy ministers of Bolivia, Colombia, Peru, Ecuador, and Venezuela—Andean Pact partners—ended their first meeting in Quito today with the approval of several resolutions to make the region's energy integration a reality.

The agreements are aimed at improving trade and the exchange of experience and technology, obtaining resources from multilateral organizations to finance energy projects, training experts in the control and prevention of oil spills, and identifying enterprises in the region that can offer services and supplies that are now imported from other countries.

The meeting, agreed upon at the "summit" of presidents of these five countries held in December, gathered ministers Diego Tamariz of Ecuador, Celestino Armas of Venezuela, Margarita Mena of Colombia, Angel Zannier of Bolivia, and Mario Zamame of Peru.

These officials agreed to ask the Latin American Energy Organization (OLADE) to decide on the advisability of creating a subregional or regional financial organization to find resources from multilateral organizations for energy projects and to act as a subregional petroleum secretariat. To this end, the Andean countries promised to give the additional technical, economic, and administrative support such a secretariat may require.

In each Andean country, this secretariat will gather information on the supply and demand of capital goods, services, and supplies, and will promote relations between petroleum enterprises and those who make the capital goods.

In addition, it will be in charge of identifying the installed and idle capacity existing in Andean oil industries, conducting an inventory of available funds and sources to finance various projects, and evaluating the subregional experience in research and technological development.

Those attending the meeting also agreed to create a subregional technological council, whose coordination

was assigned to Venezuela. This council will be responsible for scientific and technological planning.

It was recommended that the embassies of these countries should have personnel specialized in petroleum matters so they can promote cooperation and technological assistance in that area.

The ministers also agreed to promote the exchange of experiences in environmental control and to insist that any planning in the subregion's petroleum industry must include plans and programs to prevent a possible will meet every year on the occasion of the regular meeting of OLADE ministers. [sentence as received]

Cuba

Fidel Castro Meets With American Archbishop

FL2202162190 Havana Tele Rebelde Network in Spanish 1200 GMT 22 Feb 90

[Text] Commander in Chief Fidel Castro Ruz, president of the government and the Council of State, met recently with Cardinal Bernard Law, archbishop of Boston, during his third visit to Cuba. The meeting, which took place in a climate of understanding and friendship, was attended by Monsignor Roberto Gonzalez, auxiliary bishop of Boston; and Monsignor John Joseph Moriarty, and Monsignor William Murphy, both assistants. Comrade Jose Felipe Carneado, chief of the Religious Affairs Department of the Central Committee of the Communist Party of Cuba, and Jose Miyar Barruecos, secretary of the Council of State, participated in the meeting, along with Commander in Chief Fidel Castro.

Castro, Church Leaders Discuss Pope's Visit

PA2202161390 Madrid EFE in Spanish 0529 GMT 21 Feb 90

[Report by Gerardo Gonzalez]

[Text] Havana, 20 FEb (EFE)—Religious sources have informed EFE of a meeting that Cuban President Fidel Castro held today with the members of the Cuban Episcopalian Conference at the seat of the Papal Nunciature in this capital to discuss the upcoming visit of Pope John Paul II to Cuba.

According to announcements made in Cuban churches, the visit by Pope John Paul II is scheduled for Spring 1991.

The meeting between Castro and the church leaders was attended by Jaime Ortega, archbishop of Havana; Pedro Meurice, archbishop of Santiago; the bishops of the five dioceses of Cuba; Spanish Bishop Faustino Sainz, Vatican nuncio; and Jose Felipe Carneado, chief of religious affairs of the Communist Party of Cuba.

The other matter discussed by the Cuban president and the members of the Episcopalian Conference was relations between the church and the Cuban state, although the sources consulted refused to provide any additional details.

Relations between the church and state appear to have improved after the pope decided to visit the only socialist country in America whose government has reiterated its decision to maintain its communist oriented system.

According to various documents from the Cuban church, one indication of this improvement has been the increased number of government facilities used for religious training in Cuba. In practice, however, this training has not always been applied. This improvement has also been shown in the public worship activities that have been allowed, such as the pilgrimage throughout the island of the statue of the Cuban patron, the Virgin of Charity, in which thousands have participated, although official sources have not reported on this.

This is the second visit by Castro to the nunciature in the past few months. Late in 1989, he also attended a Vatican event that was being celebrated there.

Another sign of the rapprochement with the church on the part of the Cuban Marxist state was the recent call from the pages of "Juventud Rebelde," a newspaper of the Union of Young Communists, urging Catholics to support the revolution.

The church leaders met on 19 February for the opening session of the Cuban Episcopalian Conference, where one of the topics was a discussion of the progress being made regarding the pope's visit.

Castro's meeting with the bishops was not the only one that he had with church leaders. Prior to this, he had received U.S. Cardinal Bernard F. Law, archbishop of Boston, in the Palace of the Revolution.

According to reports from the United States, Law has a personal relationship with President George Bush and has visited Cuba previously on three occasions. During these visits he has discussed topics related to human rights on the island.

What Castro and Law discussed at their meeting is unkown, but unofficial sources have said that the archbishop told Castro of President George Bush's interest in the Cuban situation.

Law, also participated as a special guest at the opening of the Cuban Episcopalian Conference. He arrived in Cuba on 18 February and returned to Boston today.

Malmierca at UN Meeting, Views Drug Trafficking

FL2202020590 Mexico City NOTIMEX in Spanish 2353 GMT 21 Feb 90

[Report by Manuel Ocano]

[Text] New York, 21 Feb (NOTIMEX)—Cuba stressed today at the United Nations that the solution to the problem of the foreign debt and the establishment of a just international economic order are the most realistic alternatives for fighting drug trafficking.

Cuban Foreign Minister Isidoro Malmierca told the UN General Assembly that developing countries hope that the resources made available from disarmament are applied toward international cooperation. With this economic support, the Third World would be better able to concentrate its action against the illegal use and illicit trafficking of drugs, the Cuban official said.

In addition to solving the debt problem, he added, the elimination of protectionist tariffs and access to the international market under advantageous conditions will create the proper economic conditions for a global war

against narcotrafficking. He said that his government is willing to conduct joint antinarcotic actions with other nations but he stressed that Cuba will remain alert and will oppose any kind of measure that would try to make the borders of our countries more vulnerable. In this regard, the foreign minister mentioned that Colombia rejected the United States' attempt to send U.S. warships to its territorial waters. At the same time, Malmierca said, the Cuban Government supports the substitution of crops (of drugs for exportable products), the elimination of money laundering, and the elimination of drug use. Cuba also was agreeable to the creation of forces and an international tribunal to fight narcotrafficking.

Malmierca mentioned the recent U.S. harassment of a Cuban ship and he denied that the United States has the right to intervene anywhere in the world under the pretext of the fight against drugs. The Cuban Government's position on the fight against drugs allows for no exceptions nor does it have conditions based on political differences, the official said. Malmierca added that the complexity and magnitude of antidrug operations requires that an operational level be adopted that can only be efficient based on groundwork established by common agreement.

U.S. Uses Drug War 'Pretext'

FL2202161990 Havana Tele Rebelde Network in Spanish 1200 GMT 22 Feb 90

[Text] Foreign Minister Isidoro Malmierca announced before the United Nations that the United States is using the fight against drugs as a pretext to attack developing nations, as occurred with the invasion of Panama and the attack in Caribbean waters on a merchant ship leased by our country. When he spoke at the special session of the UN General Assembly, Malmierca specified that the United States was pursuing other aims in Panama, such as establishing a docile government that would allow it to avoid compliance with the canal treaties and to perpetuate its military presence there. The Cuban foreign minister asserted that our country firmly supports international cooperation against drug trafficking, but will be alert to and will oppose any measure or mechanism that could be used to try to violate the borders, sovereignty, and territorial integrity of other countries.

Rodriguez Meets With FRG Parliamentarian

FL2302034190 Havana Radio Reloj Network in Spanish 0302 GMT 23 Feb 90

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has received in Havana Dr. (Hubert Wahl), deputy of the FRG parliament for the Social Democratic Party and president of the Economic Cooperation Commission. Carlos Rafael gave the German politician an extensive briefing on the economic, social, and political development of our country, and its possibilities.

AALAPSO Meeting on 'Imperialist Bases'

FL2202190890 Havana Tele Rebelde Network in Spanish 1800 GMT 22 Feb 90

[Text] U.S. war enclaves in the Caribbean were the subject discussed during this morning's session at the meeting on imperialist bases in Central America and the Caribbean. The event is sponsored by the Afro-Asian-Latin American People's Solidarity Organization [AALAPSO] Executive Secretariat.

[Begin recording] [Reporter] It was made evident during Rafael Hernandez' lecture entitled "Cuba's National Security and the Guantanamo Navy Base Matter" that the U.S. presence in that part of Cuban territory fulfills the goal of maintaining latent political pressure against the people of the island.

[Hernandez] We could characterize the goal as, first, to show U.S. power in the area through this imposition; second, to keep a card to negotiate with Cuba; and third, to show its ability to impose its presence in our territory against the will of Cubans.

[Reporter] The lecturer asserted that the Guantanamo Base constitutes a potential point of conflict and it is a center of destabilization against Cuba.

Edgardo Rivera from Puerto Rico and Cole Ray Marshall from Antigua also spoke today.

This event will end this afternoon with the analysis of the subject: military bases in Central America and the Caribbean and their role in the U.S. hegemonic policy. [end recording]

Radio Rebelde Cites Importance of Castro Speech

FL2202225290 Havana Radio Rebelde Network in Spanish 1800 GMT 22 Feb 90

[Station commentary]

[Text] In his last speech to the National Assembly of the People's Government [on 20 February], our Commander in Chief Fidel Castro said important things. He reiterated ideas, points of views, concepts, which, as he pointed out, have always comprised the trench of ideas that make the revolution stronger and more solid each time. Fidel spoke of concrete things, of the completion of projects during the construction of socialism phase; of things achieved despite the criminal imperialist blockade that has now lasted more than 30 years and which is currently worsening.

Nevertheless, Western press agencies, and perhaps press agencies in other nations, today ignore his words. They continue to talk about an alleged disaster in our country or of the alleged defeat of socialism in Cuba. Enemies, friends, and neutral parties thus continue to receive a jumble of information—articles that are well-written but which have bad intentions and commentaries that are excellently structured. All this constitutes another phase of the psychological war against Cuba.

We are accustomed to this.

Those press agencies will not carry any reference to happenings in our country which are no longer momentous because they are routine affairs. They will not speak of Cuba in reference to having fulfilled the WHO's goal—health for everyone in the year 2000—almost 10 years before the year 2000, or that the goal itself is an unfeasible dream for practically the entire Third World. The capitalist press agencies will not mention that Cuba has had success in advanced technology such as in the fields of biotechnology and microelectronics. They also will not refer to the fact that the revolution has mechanized more than 75 percent of the sugarcane harvest, reducing the number of cutters from 350,000 to approximately 75,000. The imperialists will not mention the progress made in education, science, and technology, much less the extensive ties between the Communist Party of Cuba, between Fidel and his people. None of this will appear in Western newspapers.

However, to those who allow themselves to be seduced by the siren's song and who are packing their bags, we can only tell them: Don't be so easily deceived.

Havana on CPSU Call for Support of Perestroyka

FL2302002490 Havana Radio Rebelde Network in Spanish 2028 GMT 22 Feb 90

[Text] The CPSU Central Committee today called on workers to confront those people who are pushing the country toward chaos, provoking conflicts, and destabilizing society.

According to TASS press agency, the Central Committee has called for people to fight those who, instead of favoring perestroyka, attack this process and lead the people toward civil confrontation. According to the Central Committee document, these individuals are capable of anything from speculation to making false accusations against party organizations, state groups, and forces of public order.

According to the statement, it is impossible to reach any kind of armistice with demagogic and anticonstitutional sectors that attempt to demoralize national organizations and its members. Such actions, the document adds, are intolerable and deserve the most resounding condemnation.

Ortega Remarks on Bilateral Relations Noted

FL2302020490 Havana Radio Rebelde Network in Spanish 0010 GMT 23 Feb 90

[Telephone report by special correspondent Diosdaodo Maso from Managua, Nicaragua on "Exclusivo" program]

[Excerpts] The president of Nicaragua, Commander Daniel Ortega Saavedra, granted a news conference this afternoon to almost 2,000 foreign journalists and the national press. He said that the Nicaraguan electoral process is unprecedented by the number of observers accredited to the event and by the freedom which the parties and alliances have had to conduct their campaigns. This electoral process should open the chapter on better understanding and close the chapter on aggression against the people that love peace, Ortega said in response to a question from a Western journalist. [passage omitted]

A U.S. journalist asked Ortega if he thought Cuba would follow Nicaragua's example and if some difficulties existed in relations between Cuba and Nicaragua.

Ortega said: We have the best relations with Cuba. I have spoken many times with Fidel Castro on our model of government and he, as always, has respected this. Regarding whether Cuba will hold elections like ours, I cannot answer that. Peace comes from respecting others' rights.

Soviet, Cuban Experts View Economic Cooperation

PM2202151490 Paris LE MONDE in French 21 Feb 90 pp 1,5

[Part one of article by Marie-Claude Decamps: "Time For a General Mobilization"]

[Excerpts] Havana—[passage omitted] In 30 years of U.S. economic blockade, the Cubans have not starved and have even learned to adapt to shortages with consumate skill. But 30 years is a long time, especially for an island kept under economic transfusion by an East Bloc in complete disarray. And the first repercussions of this ideological upheaval are already visible here on terribly empty shelves. [passage omitted]

What does the future hold? Fidel himself has predicted "very difficult times." The diversification in the direction of China (which has become the second commercial partner over the past five years) or of a Third World attentive to the crusade against "economic colonialism"—which Castro intends to lead—but asphyxiated by debt, is only a minor palliative. CEMA has already decided to align with world market prices and to revise its rules. Finally, articles have been published several times in Moscow openly calling on the government to drop the "millstone" of Cuba, whose debt to the USSR apparently amounts to a minimum of $11 billion.

And one of Havana's paradoxes, and by no means the least, is that East European advisers have become guides in the art of marketing and other consumer studies: "This year we have fully respected the agreements," a Soviet expert stated, "but with some delay in supplies. Perhaps we will now find a special system for the Cuban debt? We are expecting a high-level delegation from Moscow this month to draw up a new plan. The problem is that we must work together. We have each developed in the opposite direction. To be more precise, they have not changed, their problem is inefficiency. We are decentralizing, are thinking in terms of real money, and are looking to the year 2000...." There have officially been

no clouds in political relations since Mr. Gorbachev's visit last April: "Everything here does not please us," this Soviet expert added. "But why should the Cubans copy us? Copying has never been a creative act, it tends to be a bad thing in general...."

If the association between Havana and Moscow was a marriage of convenience, we are now witnessing fairly lively domestic quarrels veiled over by rhetoric about unity. Not content with having banned MOSCOW NEWS and SPUTNIK, official propaganda now condemns "foreign" and no longer just "American" subversion. A Czechoslovak radio journalist was expelled for making an unfortunate comparison with Romania; another was beaten up by "passersby" after a car crash with an interior ministry official. Is this a way of showing the "East European brothers" that they no longer enjoy any favors?

Whatever the answer, the Cuban leaders have conspicuously adopted a new slogan, "knowing the difference." "This European view of socialism in terms of the domino effect, which sees Fidel as the last piece to fall, is crazy!" according to Carlos Salsamendi, member of the Central Committee and right-hand man to Vice President Carlos Raphael Rodriguez, who was seen as Moscow's man. "Cuban socialism established itself, it was not imposed on us. That is why what is happening in the USSR may affect us economically but does not cast doubt on our system's very existence. There was an anti-imperialist revolution here, and we are linked with the Third World and Latin America. And Fidel is not Ceausescu. He is one of the last living leaders to have led a historic struggle, that is the way in which Cuba is different." Alfredo Guevara, who was Castro's fellow student before setting up the cinema institute and then representing Cuba at UNESCO, concluded: "Essentially, what had to happen has happened, at present it is a disaster for us but it is clear that we now only have to defend ourselves against a unipolar world dominated by the United States, which Fidel has condemned. And he added in a mocking tone: "We have nothing to do with the Soviets! Fortunately, in the sphere of art we, who are so Western, have always succeeded in avoiding their state encumbrances. Our natural partners are the Americans, it is a pity that they are not willing to make a gesture...."

Contract Signed With USSR To Buy Computers

FL2102125590 Havana Television Service in Spanish 0100 GMT 21 Feb 90

[Text] [Unidentified reporter] Cuba signed a contract with the Soviet Union this afternoon for the purchase of six computers valued at 10 million pesos. How useful will this equipment be?

[Jose Ballate, deputy director of Cubaelectronica] These machines being purchased today are machines that handle large volumes of data. They directly contribute to the national economy in the organization of the economy. They are not like small machines that carry out specific tasks such as billing and accounting. They are machines that handle large volumes of data which also require an immediate response. If we handled this without machines the result we would get after months would only have a historic value. In this case, the response these machines give to all the needs of the country is immediate.

[Reporter] During this fair, the Soviet Union has shown interest in buying our country's keyboards.

[Mikhail Yudish, from USSR's radio industry, in Russian with simultaneous Spanish translation] We have seen Cuban keyboard samples and they are of high quality. The keyboard factory has good possibilities of producing sufficient amounts for our needs.

Economy Needs Sugar Mills To Raise Production

FL2302040390 Havana Radio Reloj Network in Spanish 0307 GMT 23 Feb 90

[Text] Salvador Valdes, second secretary of the CTC [Cuban Workers Federation], has said in Holguin that the Cuban economy needs all the sugar mills throughout the country to grind above 90 percent of their capacities during the next 60 days. He said that the trade union movement throughout the country began an analysis process with each worker in the harvest to check the commitments made for this harvest and make others attain better results in this sector. He also acknowledged the efforts of the labor collectives to grind in a [word indistinct] and stable manner, especially in the provinces of Granma, Guantanamo, Sancti Spiritus, and Cienfuegos. Valdes called on the rest of the territories to adopt new measures to provide the sugar mills with more cane during this optimum harvest time.

He also stressed the need to maintain high grinding capacities on weekends and to instruct the workers on [word indistinct].

UN Commission Approves Resolution on Panama

FL2102122190 Havana Television Service in Spanish 0100 GMT 21 Feb 90

[Text] The United States failed today in its attempt to prevent the UN Human Rights Commission from approving the resolution on Panama that demands the immediate end of U.S. military intervention in the country. The document, approved with 14 votes in favor, eight against, and 17 abstentions, was submitted for vote not only as a whole but even by paragraphs referring to the current situation in Panama.

Cuba, Nicaragua, Libya, and Vietnam cosponsored the draft, which strongly deplores the foreign military intervention in Panama because it constitutes a flagrant violation of international law, independence, sovereignty, and territorial integrity.

The document demands complete compliance with the Torrijos-Carter treaties, signed in 1979, on the turning

over of the Panama Canal. Cuban Foreign Vice Minister Raul Roa Kouri submitted the motion and explained that, as a whole, the document is concise and was altered several times at the request of some members—but the changes did not alter its character and scope.

Roa Kouri Replies to Criticism on Human Rights

FL2202161890 Havana Tele Rebelde Network in Spanish 1200 GMT 22 Feb 90

[Text] Cuba has replied at the UN Human Rights Commission in Geneva to the remarks of the Irish observer, made in the name of the EEC, about the report by a UN mission that visited Havana in 1988. In exercising the right to reply, Cuban Vice Foreign Minister Raul Roa Kouri recalled that our country is an exceptional case; it is the only country that invited the commission to observe the human rights situation in situ. He pointed out that the members of the commission acted on Cuban soil with complete freedom, and denied the alleged reprisals against those who had contacts with the UN delegation.

Aldana Stresses Importance of Radio in Revolution

FL2302023690 Havana Radio Rebelde Network in Spanish 0042 GMT 23 Feb 90

[Telephone report by Juan Carlos Roque Garcia on "Exclusivo" program]

[Excerpt] Good evening, Cuba. I am here at the National Cadre School of the Union of Young Communists where the 12th National Radio Festival is taking place. Watching the festival from inside, I can very briefly tell you that the delegates met this afternoon with Comrade Carlos Aldana, secretary of the Central Committee of the Communist Party of Cuba [PCC]. The meeting ended just moments ago. It was a very productive meeting. The criteria that PCC leaders have for radio as a vehicle for guidance and mobilization under the conditions of this socialist revolution was once again demonstrated. Aldana, who is also chief of the Revolutionary Orientation Department of the PCC Central Committee, said that radio is the bastion par excellence for rectification because through radio we have analyzed the most pressing problems that thwart this process and radio has shown us where the errors are and has suggested solutions and alternatives to eliminate the problems.

Carlos Aldana called on radio writers to continue to seek initiatives that affect the quality of our work and help develop creative thinking and productive debate. He also called for subsequent implementation of the information policy set forth by the PCC for our press. [passage omitted]

Antigua and Barbuda

Closer Ties to Japan and Latin America Sought

FL2302003190 Bridgetown CANA in English 2207 GMT 22 Feb 90

[Text] St. John's, Antigua, Feb 22, CANA—Antigua and Barbuda stayed clear of committing itself to a unified OECS [Organization of Eastern Caribbean States] but said it wanted to draw closer to Japan and Latin America in a policy statement on Thursday [22 February].

In the annual throne speech before a joint session of the House of Representatives and the Senate, Governor General Sir Wilfred Jacobs read a speech prepared by government outlining its future programme. While there were no major foreign policy objectives, the government said it was looking to establish closer relations with the Japanese government and Latin America.

"Japan, of course is a powerful economic force in today's world and we would gain much from a closer association with her," the government said.

"With regard to Latin America we sit together in the councils of the OAS (Organisation of American States) and in the Latin American and Caribbean group in the UN family; therefore we can only benefit from increased co-operation on issues of importance to our hemisphere." On the regional scene, the government gave no indication that it would change its mind against supporting a union of the OECS .

"My government will articulate its own vision on the way forward and in this connection welcomes the work of the West India Commission which has been charged by Caricom [Caribbean Common Market] heads of government to consult with the people of the region in formulating a course for the future.

"It is government's intention to further the goals of the OECS and to work closely with sister governments in advancing the economic welfare of our people," he said. Sir Wilfred re-affirmed Antigua and Barbuda's commitment to Caricom. On the issue of the 1992 single European market act, he said, "my government is concerned about the prospects for a continued market in Europe for bananas from the eastern Caribbean."

Bahamas

Closer Ties Sought With Caricom, Far East

FL2202154390 Bridgetown CANA in English 1518 GMT 22 Feb 90

[Text] Nassau, Bahamas, Feb 22, CANA—The Bahamas is reviewing its foreign policy relations, seeking closer ties with its Caribbean Community (Caricom) partners, the Far East, and Africa, Foreign Minister Edward Charles Carter has announced.

"We intend over the next year to improve our relationships, especially our economic ties with all our Caribbean friends and those who populate this region," he told foreign diplomats. "We intend over the next year to reach out to some of the new friends that we have made in the Far East and newer friends that we have yet to make in the new countries of Africa," Carter added.

Carter said while no one could have predicted the major events in Eastern Europe, South Africa, and other parts of the world, the Bahamas would nevertheless "try and maintain the best and most equitable relationship with all its friends."

"I have discovered within a year how very, very small the Bahamas is, and how like all small countries we are very, very vulnerable to all the changes, economic, social and political, that sweep the world. It's a wonderful feeling to be at peace with the world and to wish the world good and.... The world respond to us in kind," Carter said.

Grenada

Opposition Leader Warns of Difficult Times Ahead

FL2202164390 Bridgetown CANA in English 1557 GMT 22 Feb 90

[Text] St George's, Grenada, Feb 22, CANA—Deputy political leader of the opposition National Democratic Congress (NDC) George Brizan has warned Grenadians to expect a difficult and challenging decade ahead. Brizan, an economist and a former agriculture minister, said that one of the reasons for this is the unhealthy state of the country's finances. He said that government was seriously indebted to the state-run National Insurance Scheme (NIS) to the tune of 47 million EC dollars.

Brizan said the incoming administration after next month's general elections would not be able to tap the NIS for funds because of heavy borrowing from both government and other para-statal bodies. "So when the government is in difficulty with its finances, it cannot look to the NIS anymore," he said.

He said the situation was further compounded as a result of cutbacks in budgetary aid to the island from the U.S. Government in the last two years. Brizan said that only a government with a "strong and capable and competent team of leaders" like the NDC would be able to put Grenada's economy on a sound footing.

The former Grenada Government minister was also critical of the decision to sell out the majority shares owned by the state in the Grenada Telecommunications Limited (Grentel). Government in December sold a sizeable portion of its shares in Grentel in order to help raise 30 million EC dollars to settle a wages dispute issues with civil servants. In condemning the move, Brizan said that only a "stupid government" would sell state assets in order to pay current expenses.

"You keep your productive assets so that it can generate more and more wealth but anytime you sell out your productive assets then your ability to create more and more wealth would be diminished," he said.

Haiti

Activities, Comments Pertaining to Elections

Avril's Visit to CEP

FL2202180090 Port-au-Prince Radio Metropole in French 1700 GMT 21 Feb 90

[Passages within quotation marks recorded]

[Excerpts] [Announcer] During a surprise visit to the CEP [Provisional/Permanent Electoral Council] yesterday, President Avril reaffirmed his willingness to lead the country to unfettered elections and to guarantee security. During this visit, President Avril reaffirmed his support for the CEP, whose credibility the opposition has questioned. He said he shared the CEP's opinion regarding its refusal to change the electoral calendar—a calendar the CEP established after consulting the political class, and which several political parties are now asking to have changed. Here is reporter Rothschild's report:

[Rothschild] No clouds; clear skies. The tone of the relations between the CEP and the executive branch of the government is normal. [passage omitted]

The president also took advantage of the opportunity afforded him by this visit to reaffirm his commitment to leading the nation to elections. The chief of state also invited sceptical politicians to have more trust in the government regarding the holding of elections. Prosper Avril once again tried to make the different political sectors understand that the rules of the democratic game must be respected. [passage omitted]

During this meeting with the CEP members, President Avril declared that he was not in favor of changing the election calendar, as certain political parties are asking.

[Avril] "The CEP will not... [rephrases] cannot disown its own initiatives. The CEP cannot go against its own initiatives—for in a democracy, all parties concerned must keep their word. We know that parties and organizations that had even publicly proposed certain changes to the electoral law written by the CEP, are now advocating the opposite of what they proposed to the CEP—after the CEP adopted the suggestions they had made. I think the CEP has done its job, and I also think that to progress along the electoral process we must be serious and must [brief pause] continue along this same path, which has thus far permitted the CEP to survive despite the pressures, despite the difficulties—so we can finally, at long last, halt this long transition...." [passage omitted]

[Announcer] General Avril then said that the atmosphere today is a great deal better than it was before the 20 January state of siege. There are no murders now, he said. [passage omitted]

[Avril] "Thus, to the electoral council I reiterate, I reiterate, and reiterate, the government's willingness to fully guarantee security during the elections. Our good faith is obvious. Of course, I can understand the scepticism of certain people who have never seen such behavior. I can understand that they refuse to believe that it is true. It is, however, true. That is the truth. You must have seen, by now, that we have never failed to keep our word. Never have we changed our way of talking. But no one noticed. It is the others who have changed their way of talking. Not us." [passage omitted]

[Announcer] The general-president threw the ball back in the CEP's court regarding the presence of foreign observers during the coming elections. In any case, on 20 February, President Avril said he had no objections whatsoever in this regard, but that the observers must respect the nation's sovereign character.

We point out that this is the first time since the birth of this new CEP that the president has paid its members an official visit, and that he is doing so at a time when most political groups are demanding either a modification of the electoral calendar or a temporary halt in electoral operations. Thus, as a warning to the CEP, Gen. Avril yesterday came out against a change in the election calendar that has already been drawn up and accepted by all the political parties. The CEP cannot disown its own initiatives, he said.

CEP Secretary General Jean Gerard Pierre however, considers Gen. Avril's statement as having been proffered and received as the opinion of a sector that is involved in the organization of elections. Clarens Renois has those statements:

[Renois] "Do you think Gen. Avril's surprise visit to the CEP today has compromised the chances for a modification of the electoral calendar?

[Pierre] "No, I would not say it compromises the chances for anything at all. On the contrary, it falls within the framework of the appeal we made in our declaration of principles, in which we asked all sectors concerned by the electoral process, all sectors involved in the nation's political life, to agree to meet to reach a national consensus. I think that his statement should be taken in a positive manner, as something heading in the direction of the consensus we had suggested....

[Renois, interrupting] "Do you not think that, by coming out in favor of maintaining the calendar already drawn up with the consent of the political parties, the president was saying the final word regarding a possible modification of that calendar?

[Pierre] "I do not take it that way. The president of the Republic is the head of the executive branch of the government. The executive branch of the government is involved, is one of the three sectors concerned as we said in our declaration, in the electoral process. And as head of the executive branch of the government, he does have a right to express his opinion. We of the CEP do not feel his statements to have been meant as pressure or interference, especially because he stressed the independent character, the independent nature, of the electoral council regarding its decisions. He has never given the CEP any kind of ultimatum. He has never told the CEP it had to do this or that. It is still up to the council—after having heard everyone out; after having heard out all sectors within the framework of a national dialogue with a view to reaching a consensus—to see what needs to be done to help the nation get out of this situation."

Democratic Elections 'Impossible'

FL2202183190 Port-au-Prince Radio Metropole in French 1700 GMT 21 Feb 90

[Text] According to four Haitian human rights organizations, unfettered democratic elections are completely impossible in the political climate maintained by the military government. In a joint communique, these four organizations stress that despite repeated appeals to the government, nothing concrete has been done to make the political climate any more supple and to make conditions propitious to the success of the elections. These organizations declare that they are seeing, with bitterness, an escalation of violations of human rights throughout Haiti, with no recourse to the judiciary against the guilty parties. They cite, in this connection, the arrests and brutality suffered recently by political militants during the state of siege.

The four signers of this document are: Joseph Maxi of the Haitian Human Rights League, Jean Claude Bajeux of the Ecumenical Center for Human Rights, (Coffy Saint-Fort) of the Motivational Institute for Democratic Instruction, and Raymond Pierre of the Lafontant Joseph Center for the Promotion of Human Rights.

Union's Position

FL2202191790 Port-au-Prince Radio Metropole in French 1700 GMT 21 Feb 90

[Text] The General and Independent Organization of Haitian Workers [OGITH] is calling for the autonomy of union organizations and sets forth its position regarding the coming elections. In a news conference, it presented a balance sheet [of its action thus far, a conference held on the occasion of OGITH's second anniversary], in which OGITH expressed its solidarity with the initiative of the other union federations against the government and expressed satisfaction with the interventions by the chamber of commerce, the Haitian Manufacturers Association, and the Episcopal Conference of Haiti on the unfavorable situation in Haiti.

According to OGITH's secretary general [Schiller Marcelin], the destablization of the current regime can only

serve to mitigate certain contradictions, but not to surmount the overall crisis of Haitian society. OGITH's secretary general said that the stagnation of our country—that is, with the decline of the current system, which he terms totalitarian—can be surmounted only by the establishing of a rule of law.

Furthermore, OGITH thinks the liberation of the working class resides in its own capacity to mobilize people and material things.

[Begin Marcelin recording] As you know, for an organization, a society, or a country to really truly become independent, it must be able to more or less finance itself. There has to be a minimum of things it can do without having to depend on someone else. Now, until such conditions are present, if we speak of independence, we should all (?understand) that under such circumstances, independence equals demogogy.

We want to render the organization truly independent. To do so requires the participation of all the organization's members—even if it is only with 10 kob [$0.02]—in financing the organization, and also in carrying out a number of tasks. Even there, the workers do not have that habit, the habit of giving to a union organization or that kind of thing. You know that anyone who has been in Haiti for less than 30 years is not at all familiar with anything like that. So, this means that this is something totally new that you are going to have to instill in their veins. That is one of the very, very big problems that we are going to have to, sooner or later, solve. [end recording]

According to OGITH, the elections, which were also a main point of the general assembly held by OGITH, do not seem to offer any guarantees. Schiller Marcelin gives his opinion.

[Begin Marcelin recording, in Creole] OGITH will not encourage any member of the organization to participate in any election whatsoever held under the current government, because the necessary guarantees do not exist. Today, 20 February,—after all its experiences in the field, participating in the forum, and so forth—OGITH can say that we do not think that this current government can hold the unfettered, democratic elections that we want; and that nothing good whatsover can come from that kind of people. I mean, it is not even merely a problem of the kind of people. It is also a problem of the government. Any kind of person who enters into that structure the way it is today will drown. [end recording]

That, was a news conference held by OGITH to present a balance sheet. OGITH declines any and all compromise with the current government.

MKN Head on Hastening Process

FL2202221890 Port-au-Prince Radio Metropole in French 1150 GMT 22 Feb 90

[Text] Volvick Remy Joseph, leader of the MKN, National Cooperative Action Movement, has spoken out on the nation's political situation. The MKN thinks it is imperative that all the components of the national community get a grip on themselves and shunt aside all the causes of divisiveness to avoid, while there is still time, the imminent misfortunes threatening the nation. Dr. Joseph's MKN thinks the first authority concerned in the current context is none other than the CEP. And it is no doubt for this reason that the MKN asks the CEP to activate the electoral process to hold elections as quickly as possible. Finally, the MKN feels that given the difficult period the country is experiencing, the more the electoral process can be shortened, the fewer the possibilities for mistakes and the more quickly the country will emerge from crisis.

CEP Chief on Possible Change

FL2202221990 Port-au-Prince Radio Metropole in French 1150 GMT 22 Feb 90

[Excerpt] [Announcer Nancy Roc] The news has been dominated all week by elections. The CEP has met with a delegation from Copppal [Permanent Conference of Latin American Political Parties]. This delegation has probably promised the CEP technical aid. Clarens?

[Clarens] Indeed, the members of this delegation from the Latin American political parties who have been in Port-au-Prince on a mission for the past three days, met with the members of the CEP on 21 February and discussed elections with them. Copppal promised to provide the CEP with technical aid for the holding of the coming elections.

Regarding a modified electoral calendar, CEP President Louis Antoine Auguste once again led us to understand that dialogue on this matter was still possible.

[Reporter] Rothschild Francois Jr. explains:

[Francois] Twenty-four hours after having been visited by Gen. Prosper Avril, the members of the CEP yesterday met with the delegation from Copppal. They discussed the functioning of the CEP and the preparations for holding elections. Copppal said it could assist the CEP technically with its work. The delegation also stressed that it had no intention whatsoever of interfering in Haitian affairs. Questioned by the delegation about the possibility of modifying the election calendar, CEP President Louis Antoine Auguste implies in his answer that a dialogue among the parties concerned is still possible.

[Begin Auguste recording] Is it a possibility to envision? We are dealing with politics. We have set forth clearly our position in principle, and the council is to meet—if the others wish to come—so that we can talk, right?

We have not yet reached a decision [about modifying the election calendar]. In the position we set forth, we gave the background of the calendar. We explained that it reflected the population's choices. Now, if a sector asks us to review things considering certain events, they should come analyze them with us. Also, since this must

be decided by the nine members of the council, since one or two members cannot decide, and since we have not yet discussed the problem, I, the president, cannot tell you we are going to do or not do this or that. I do not know. The members will have to....[changes thought] But I am giving you the CEP's position as it currently is. [end recording]

Regarding the funds necessary to hold the elections, about which the Copppal delegation also asked during this meeting, the CEP said it did not have any serious economic problems for the time being. The CEP did explain, however, that the definitive election budget had been cut back to 30 million gourdes from the 48 million gourdes initially planned. The CEP has so far received 12 million gourdes from the government, which has promised to give it another 8 million gourdes next March.

Regarding the foreign assistance promised—1 and one-half million gourdes [as heard]—things are currently at an impasse because the potential donors have not yet given any sign of life. [end recording] [passage omitted]

CEP Members on BEDs; Copppal

FL2202224890 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 22 Feb 90

[Excerpts] Copppal, which is the conference of political parties in Latin America, is visiting Haiti to obtain technical details on the planned elections in Haiti. [passage omitted] During the discussion [on 21 February] of the different hot points dominating the election preparation activities, CEP President Louis Antoine Auguste gave the members of the Copppal delegation the CEP's point of view on the electoral calendar. [passage omitted]

Regarding the formation of the Departmental Electoral Bureaus [BEDs] which certain political parties accuse of being full of members of Conajec [National Council for Jean-Claudist Action, the vehicle for Jean-Claude Duvalier's political ideas], the CEP says it is waiting to receive well-founded criticisms so it can take whatever action is necessary.

[Begin Auguste recording, in French] We are not saying we did a perfect job. However, we are still waiting for criticism, remarks about the people chosen, so we can make whatever corrections are necessary. [passage omitted] The government has already given us 12 million [currency not specified] and has promised to give us another eight million in March. Foreign technical assistance has also promised us aid but we have not yet seen these promises become a concrete reality. We have already been given firm promises of $1.5 million, but we are still waiting. [end recording] [passage omitted]

At the end of the meetings, CEP member Professor Gabriel Augustin declared to the members of the Copppal delegation that allegations Haiti is in crisis are unfounded. When you are outside the country and hearing what is being said in the press, he said, you think Haiti is in a terrible bind. However, once you enter the country, he added, you realize things are not like that at all; actually, the Haitian people's current concerns are peace, work, and development.

This is also what President Avril is in the habit of declaring.

[Begin Auguste recording] What happens is that when you are abroad and you are informed about Haitian political problems by the media, you sometimes have the impression that the country is indeed in the throes of a dangerous, unimaginable crisis. Whereas if you are able to spend a few days in the country, throughout the nine geographical departments you are astonished to see that everything said and reported both inside and outside Haiti is completely different from the conduct observed among the population. And that is why our preoccupation, the preoccupation of the Haitian people—which might not be the preoccupation of certain political parties! —is first of all peace and work and development. [end recording] [passage omitted]

St. Vincent and the Grenadines

Nicholls Reassures Mitchell on Economic Growth

FL2202233490 Bridgetown CANA in English 1656 GMT 22 Feb 90

[Text] Kingstown, St Vincent, Feb 22, CANA—Caribbean Development Bank (CDB) President Neville Nicholls paid his first official visit to St. Vincent this week and gave the country good marks for economic performance.

Nicholls told reporters that he was impressed with "the significant changes" in the island. "Everywhere there is unmistakeable evidence of progress," he said. The CDB president said all indicators point to good medium term prospects for St. Vincent and the Grenadines with the possibility of real growth of over four percent per annum.

Nicholls said that the country's projected economic growth was based on the bank's understanding of ongoing and planned public sector investments for 1990 to 1991 which were expected to double that of the previous three years.

Nicholls said that the CDB expected the country's Agricultural Reform and Diversification Programme (ARDP) to be fully on stream by 1991, benefiting over 1,000 farmers, that fishermen could benefit from the completed new Kingstown fisheries complex, while arrowroot exports should increase with the reorganisation of the marketing company and the expected penetration of the Jamaican market.

He also envisaged expansion within the manufacturing and tourism sectors by provision of additional factory space, the larger hotel complexes being considered for St. Vincent and the completion of the multi-project and the Bequia Airport in the Grenadines.

"Therefore, excepting natural disasters or other exogenous factors, the high unemployment situation should ease and rising foreign exchange earnings should result," Nicholls said.

Prime Minister James Mitchell expressed concern at the lack of adequate manpower resources to match the pace of the country's economic development.

But Nicholls assured Mitchell that the CDB was ready to respond to the country's need for technical assistance to consolidate fiscal management investment programming, inproject formulation, and management to facilitate efficient allocation of scarce resources, and to keep the country creditworthy.

Up to the end of last year, the CDB had approved over 70 loans, grants, equity and mortgage finance and disbursed U.S. $39.4 million so far. He pointed out that loan approvals would increase substantially this year, with a "global line of credit" and a students' loan to the local development corporation (Devco) being among the first projects to go before the CDB board for 1990.

According to Nicholls, later this year the CDB hoped to consider two or three more loans in the infrastructure area and would additionally continue to provide training and other forms of technical assistance as seen fit by the government. Nicholls said he took the opportunity during the visit to bring Prime Minister Mitchell up to date on arrangements so far for the 20th annual meeting of the board of directors of the bank to be held in the Bahamas in May this year.

While here, Nicholls and his team toured several CDB-financed projects in the country.

Nicholls has expressed concern about the future flow of financial resources to the region from traditional donors, and said the bank and its borrowing member countries will have to seek new areas of funding. He said there were signs that financial resources from traditional donors would be harder to come by in the immediate future than had been the case in the past.

"Yet we have need of even greater resource flows if the CDB is to respond to the needs of its borrowing member countries," he added. Nicholls suggested that the bank and its borrowing member countries would have to use their best endeavours to seek to access such new avenues for resource mobilisation and technical expertise as Japan and Taiwan, as well as to seek to generate additional domestic savings in order to make a greater contribution to the financing of the capital budget of the borrowing countries.

Trinidad and Tobago

Robinson Weighs Rights, Antidrug Legislation

FL2202235990 Bridgetown CANA in English 1859 GMT 22 Feb 90

[Text] New York, CANA—Trinidad and Tobago's Prime Minister A.N.R. Robinson is prepared to compromise on the tough anti-drug legislation in order to meet the objections of human rights activists. Robinson told CANA in an interview that there was room for compromise between the government's proposals and the concerns about human rights violations when it came to the question of searching people's property.

"We are seeking to bring our laws up-to-date, not only to prosecute offenders but also to achieve the forfeiture of assets," he said.

"In order to be effective against these drug barons and drug traffickers, very wealthy, sometimes very powerful people to whom money is the main thing in life, you have to go after the money. You have to go after the ill-gotten gains, the property. There is where you are going to hit them hardest. Legislation is being updated in order to achieve this: through forfeiture by the courts through search and seizure.

"Those methods do give rise to, in some respects, objections from human rights campaigners and in some cases there is reason for genuine concern," he went on. "We have softened or sought to soften some of the measures which were originally proposed and by and large what is necessary is that in order to obtain the evidence you should be able to take them by surprise. In order to do that you have got to have speedy entry. Once you can achieve this within reasonable bounds I think the legislation can be reasonably effective."

He said he was prepared to compromise with the human rights activists so as to avoid infringing on people's basic rights.

"Once the objection appears to be sufficiently broad-based and would be reasonably grounded, then I think it is necessary to seek to allay fears and this is certainly what we have been seeking to do," the prime minister added.

"For example, if the proposal was that a police officer of a certain rank should be able to enter premises on suspicion without warrant, then the requirement can be the obtaining of a warrant from a justice of the peace or a judge as the case may be."

However, Robinson said that they would have to be careful about word getting out about the impending action that would make the move ineffective. The prime minister contended that before any attempt was made to search or seize people's property, "there would have to

be reasonable grounds for believing" that the assets were gained through drug dealing.

For example, he pointed out, there must be evidence to support a charge that the person was engaged in drug trafficking or "dealing in one kind or another" and, secondly, that the person had acquired "sudden increases in wealth" which couldn't be otherwise explained away.

"Grounds of that kind can give rise to reasonable suspicion that the property has come through drug trafficking and other dealings in drugs."

El Salvador

FMLN Attacks Police Academy in Cuscatlan

PA2202132890 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 22 Feb 90

[Text] There were armed clashes this morning from approximately 0200 to 0240 in several parts of San Salvador. FMLN [Farabundo Marti National Liberation Front] guerrillas attacked the Police Academy at El Espino farm near the San Benito District in Cuscatlan with rifle and artillery fire.

The Army repelled the 40-minute attack. Army and police sources said this morning that no casualty lists were available for either the Army or the guerrillas.

The intense rifle fire that began at 0200 against the Police Academy alarmed the citizens of Ciudad Merliot. The artillery fire was even more deafening.

Later, the Air Force patrolled the area for about an hour while searching for the guerrillas.

This is the first time in February that the FMLN has attacked the Police Academy. No civilian casualties have been reported in connection with this attack.

It has also been reported that there was a clash in northern Soyopango involving the leftist guerrillas and Air Force units.

Rebels Report Army Losses, 40-Percent Power Cut

PA2302034090 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 23 Feb 90

[Text] Here are our military reports: On 21 February, a pilot was killed by FMLN [Farabundo Marti National Liberation Front] antiaircraft fire in the area of San Jose Las Flores, Chalatenango. The report states that there was fighting at 1500 with Military Detachment No. 1 troops in the area of San Jose Las Flores, and one casualty was inflicted on the infantry forces. At that time, the detachment obtained air cover and several Air Force helicopters showed up. Our antiaircraft units began firing at the enemy helicopters, hitting one and killing its pilot.

A lieutenant pilot has been killed in combat by antiaircraft fire in Chalatenango Department. We have here the report from Coprefa [Armed Forces Press Committee] acknowledging the death of the lieutenant pilot, whose name was Douglas. We will get his last name. This is one less pilot. Pilots like him have wreaked death and destruction on poor neighborhoods in San Salvador, Usulutan, and San Miguel.

Here is another report: Six casualties were inflicted on 6th Brigade troops at El Palmar, jurisdiction of San Francisco Javier, Usulutan. The ambush was carried out with two fan-shaped charges, and we estimate the enemy casualties at six. Our attack lasted one hour [words indistinct] firing rockets in the area.

On 22 February, FMLN forces took control of Ojo de Agua, Las Penas, and Las Trancas Cantons in northeastern Usulutan Department, where propaganda was distributed to the population. In addition, our forces report that at 1400 on 19 February they fought with troops from Military Detachment No. 3 in Animas Canton, jurisdiction of Sociedad, and inflicted three casualties on the troops, two dead and one wounded. The fighting lasted two hours.

Here is yet another military report: At 1000 on 22 February, one of our snipers killed a soldier of the Belloso Battalion at Azacualpa Hill, jurisdiction of Cinquera, Cabanas Department. The Air Force provided support to get this casualty out.

On 21 February at 1430, we inflicted two casualties on the 5th Infantry Brigade at Cerron Hill, Chichontepec Volcano, jurisdiction of Tecoluca, San Vicente Department. Another report indicates that on 21 February we took control of (Los Domingos) and La Labor Cantons, jurisdiction of San Sebastian, San Vicente Department. Four towers supporting 115,000-volt lines were knocked down. We have intensified these sabotage actions against the electricity network throughout the country and have caused losses in the millions to the war economy. Another report indicates that at 2300 on 21 February three towers were blown up on the road to (Managua), jurisdiction of San Esteban, San Vicente Department.

We are now receiving reports that advance positions of the Air Force in the area of Soyapango have been attacked. COPREFA has admitted that several members of the National Police and the Belloso Battalion were wounded during the attack on the Police Academy at El Espino.

In addition, we have confirmed that 40 percent of the electric power in El Salvador is down because of dozens of acts of sabotage against electric structures and transmission lines throughout the nation.

Honduras

Investments, Barter Discussed With USSR

PA2302043390 Tegucigalpa LA TRIBUNA in Spanish 21 Feb 90 p 2

[Text] Economy Ministry officials and the USSR commercial attache for Central America, Yuri A. Vislovsov, analyzed the possibilities of joint Soviet ventures in Honduras yesterday.

Ramiro Figueroa Fuentes, deputy economy minister for integration and foreign trade affairs, said Soviet plans to base a car assembly plant in the region could include Honduras.

"The prospects for trade exchange with the USSR appear quite promising, as the Soviets have reiterated their interest in reactivating trade between the two nations," he commented.

The official said the Soviets are interested in surplus agricultural products such as coffee, bananas, citrus fruits, sugar, cotton, and meat.

He explained that those products would be acquired by the USSR through barter operations and Honduras would receive farming machinery, fertilizers, medicine, and raw materials to produce certain medical products in Honduran laboratories.

Figueroa also pointed out that he and the Soviet official discussed the problem of obtaining steel rods, which are not only expensive but scarce here and which the USSR could supply Honduras in exchange for coffee and bananas.

Figueroa added that the trade exchange by means of barter with the Soviets would be widely discussed with all the production groups of the nation "because it is a good opportunity to place our surplus production, particularly those products that are subject to quotas, on the international market."

* Drug Control Program Termed 'Inefficient'

90EM0089B Tegucigalpa EL HERALDO in Spanish 13 Jan 90 p 3

[Text] Yesterday the Special Drug Traffic Investigation Commission returned to the central government 20,000 lempiras left over from its budget appropriated to conduct probes of drug trafficking in the country.

The commission's chairman, Carlos Sosa Coello, arrived at the Government House together with Jose Maria Betancur to turn over the surplus from the 50,000 lempiras provided by the government.

Judges and Officials Implicated

Sosa Coello said that the public report submitted after an investigation clearly indicates the shortcomings of the Judicial Branch, including the names of implicated judges and officials that have been confirmed, as well as the negligent performance of the Office of the Attorney General of the Republic.

He noted that the press, which obviously has to underscore what is most dramatic, highlighted the involvement of the Armed Forces chief's daughter, Tania Regalado. He remarked, however, that what was most important were the recommendations, including that for the creation of a prosecutor's office and a special police corps to curb the drug trade in the country.

He observed that Honduras has been used primarily because of its geographical location and its coast on the Caribbean, because it is in the Atlantic, on Islas de la Bahia, that the greatest challenge and work area lie.

As a PINU [Innovation and Unity Party] deputy, he claimed: "We shall continue striving to set it up, because we have discovered that the present organs to repress the drug traffic in Honduras are inefficient, for many reasons. A multilateral treaty should be signed, including the producing, intermediary, and consuming countries; because we don't believe that this should be done bilaterally with the United States. A multinational crime is involved, and it should be combated in that way."

A Bilateral Treaty Detrimental

A bilateral treaty should not be signed, he argued, because "it would look like a concession of Honduran sovereignty to a superpower, and the political cost would be enormous. Some would claim that we had signed something whereby the United States could extradite our citizens guilty of drug trafficking, or examine their bank accounts."

He maintained that the agreement on money handling, dollar laundering, and bank secrecy should be signed, because, apart from the battle against drugs, it would be possible to learn about the accounts of Hondurans abroad, but without lapsing into a misinterpreted patriotism.

He said that the foreign aid that Honduras is receiving from the U.S. Government should undergo a test which would include the efforts that the country is making to eradicate drugs, and that the president of that nation should analyze which governments are or are not combating this evil.

'Crack' Penetrating Honduran Market

Sosa Coello claimed that Honduras' international image is at stake because it must maintain total credibility. He noted that the country has already begun having problems with concaine consumption in its cheapest forms. The grams costing 100-150 lempiras are giving way to doses of "crack" for 10-15 lempiras. Hence, this has ceased to be a vice merely for the rich.

The commission chairman added that there are new data that have not been published, but are yet to be confirmed. However, these disclosures will be made public in the future.

Sosa Coello denied that names have been omitted out of fear, remarking that the new government has already promised them backing for putting the recommendations into effect, and has approved, as the new representative of the designate to the presidency (Alfredo Fortin), Jacobo Hernandez, who will be his alternate in the Government House.

He commented: "The report stated that General Manuel Antonio Noriega was in contact with certain Hondurans as chief of the Panama Defense Forces' Second Section. However, if there are other fellow countrymen whom Noriega knows I have no information in that regard. Furthermore, I place more hope in our investigations than in what others may say."

* 1,445 Violent Deaths, 11,132 Arrests in 1989

90EM0089C San Pedro Sula TIEMPO in Spanish 30 Dec 89 p 4

[Text] Tegucigalpa—Yesterday national police spokesmen reported that, during the course of this year, a total of 1,445 persons died violently throughout the country, while nearly 12,000 were arrested by the Public Security Force (FSP), accused of various crimes.

According to FSP's annual report, this year 1,105 persons were wounded, and it specifies that "a total of 11,132 individuals were arrested by the authorities, charged with various crimes."

The statistics indicate that the main cause of violent death was firearms, which killed 453 persons, while 351 died as a result of traffic accidents.

The police noted that 297 were killed by knives; 44 died of alcoholism, including men and women; 104 were drowned, including men, women, and children; nine or 10 died of the cold; and 54 were killed by blunt weapons.

The public forces also announced that 141 persons died of other unspecified causes, making a total of 1,445 who met with violent deaths throughout the national territory during 1989.

Police spokesmen indicated that this figure will increase, because the incidents that occur during the year's end celebrations are yet to be counted.

644 Deaths in the Capital

Moreover, the Supreme Court of Justice's Forensic Medicine Department received 644 corpses thus far this year, including the 131 resulting from the airplane accident on 21 October.

According to officials from the Forensic Medicine Department, the chief cause of death was firearms, which took the lives of 119 persons, followed by traffic accidents, with a toll of 104, and knives, with 46 victims.

Taking precedence over this, however, was the air mishap that occurred in the middle of this year, involving a Nicaraguan contra plane in which 12 persons died, as well as the one involving the TANSAHSA plane, on 21 October, in which 131 passengers of different nationalities were killed.

The month in which the largest number of deaths occurred, at least in the capital, was December: To date nearly 44 dead bodies have been reported.

The other months maintain an equivalent number of corpses, ranging from 30 to 32: January, 34; February, 34; March, 34; April, 30; May, 29; June, 33; July, 38; August, 25; September, 17; and October, 17, plus 131 from the air mishap. The count had not yet been made for November and December.

The judicial morgue officials noted, however, that the number of victims could increase as a result of the celebrations at year's end; therefore, at least 55 persons may have died during December.

* Youths Impressed for Police, Military Service

90EM0089A Tegucigalpa EL HERALDO in Spanish 11 Jan 90 p 3

[Text] Despite the order issued by the Armed Forces chief, General Humberto Regalado Hernandez, the recruitment of youths continued yesterday almost in the very center of the city, on the day before the conclusion of the soccer championship matches, during the course of the Fourth Central American Athletic Games.

Last Friday, when students were taking part in the medleys and other activities for the opening of the Fourth Games, military units stationed outside the National Stadium began recruiting them without any intervening orders.

Nevertheless, Gen Regalado Hernandez immediately ordered a halt to the recruitment and the release of the youths who had already been taken to the barracks.

However, the instructions issued by the military chief were ineffective yesterday, when police units carried out an indiscriminate recruitment operation in the vicinity of the Mas X Menos supermarket, located on this capital's La Paz Avenue.

It was learned that the youths who had been recruited were taken to the Police Training Center.

There were also reports of more recruitments taking place in other parts of the city. Many think that this is creating a negative image for the country, at a time when the Fourth Central American Athletic Games are in progress.

One of those affected remarked that this action is apparently being taken because "no one in the Armed Forces pays attention to Regalado Hernandez' orders any longer," since he will be leaving his position of authority within the next few days.

Nicaragua

President Ortega Holds News Conference

PA2202220890 Managua Domestic Service in Spanish 1804 GMT 22 Feb 90

[News conference by President Daniel Ortega with local and foreign reporters at the Olof Palme Convention Center in Managua—live; broadcast in progress]

[Text] [Ortega]...we concluded what the Sandinist National Liberation Front [FSLN] electoral campaign was. We had many meetings with the people in different parts of the country. Setting the tone in all these meetings were honest, direct, and open talks with the people. We

did not just give a speech filled with promises, but listened to the people's comments about their daily problems, as well as about the general problems that affect the country. Through this communication, we sought common solutions—that is, joint solutions between the government and the people, between the Nicaraguan presidential candidate and the Nicaraguan people who will cast their votes for that president on 25 February 1990.

I feel satisfied with what the Nicaraguan people expressed yesterday, as this has reaffirmed the commitment of the Nicaraguan people to continue defending the revolutionary process. I am at your disposal to answer whatever questions you may have.

[Moderator] Please raise your hands and identify yourselves.

[Reporter] In (?past) elections [words indistinct]. If, hypothetically, you lose the elections, will the government (?relinquish) power? [words indistinct]

[Ortega] First, hypothetically speaking, there is no possibility of an electoral victory by any other political party in Nicaragua. I am convinced that the Nicaraguan people will vote for the FSLN. They have already voted for the FSLN, and will formalize their votes on 25 February.

When a country like Nicaragua holds elections, they are intended to allow the people to chose. Therefore, it is our duty to respect the people's will. I have explained the power issue on many occasions. Power resides in the people. It is the people who elect and remove governments. The people transfer a quota of power to their leaders, they do not give them total power. I could get into a conceptual discussion on this subject, but where there is an electoral process there can be no doubt. When electoral processes are conducted, such as those in 1984 and now in 1990, they must be conducted within a multipartisan framework; the revolution has always defended this position. Therefore, I am completely convinced that the election results must be respected to respect the people's will.

[Reporter, in English] I am sorry, but I do not speak much Spanish. The United States has tried for approximately 10 years to destroy the Sandinist revolution, through low-level warfare and an economic embargo. If you are reelected on Sunday [25 February] with a majority of the vote, to what would you attribute the continued support of the Nicaraguan people for the FSLN?

[Ortega] I believe this electoral process in Nicaragua, which is unprecedented in any independent country because of the number of observers present and because of the U.S. Government's involvement through its support for one of the contending parties, must give way to a process of normalizing relations between the United States and Nicaragua.

The U.S. policy against Nicaragua throughout these years has failed, it has backfired on the U.S. Administration. At a time when a process of dialogue and detente is unfolding between world powers—the USSR and the United States—it is incongruous for the United States to insist on trying to destroy the Nicaraguan revolution as it has over the past 10 years. I hope this electoral process will close the chapter of confrontation between the United States and Nicaragua, and open a chapter of normal relations between our two countries.

[Reporter] Mr. President, the Bush administration says that if the elections are honest and the Sandinists win, Bush will be willing to improve relations with the Sandinist government. Do you believe this would really happen?

[Ortega] I want to believe in President Bush's words. His words will be put to the test in the next few days, when the election results will become known, after the victory of the Sandinist Front becomes known. That is when President Bush's words will be put to the test. I hope he will be consistent with what he says because I am also convinced that the international observers and the Supreme Electoral Council [CSE] will clearly confirm the honesty of these elections and the FSLN's overwhelming victory in them.

[Reporter] Mr. President, do you expect....

[Moderator, interrupting] Please identify yourselves.

[Reporter] Do you expect incidents of a political nature to occur after 25 February and could they involve some military aspects. Is there any new way in which a conflict or a confrontation could develop again?

[Ortega] The contras have not completely disappeared. If they continue to launch attacks and murder people, they will continue to be the greatest threat to the electoral process. There have been plans to spoil this electoral process and discredit the election results. Foreseeing defeat in the elections, an extreme rightist group within UNO [National Opposition Union] has planned actions to mar the electoral process. However, the necessary measures have been adopted and the political parties have made a commitment. There is a difference within UNO that I should point out. While Mrs. Chamorro asserts that she will respect the results of the election and that she is against violence, the radical [word indistinct] sectors led by Mr. Godoy have ignored her statements.

I believe, though, that the strength the Nicaraguan people showed yesterday is the best deterrent. It is the biggest deterrent against those who may be thinking that the people will rise up if someone claims there was electoral fraud. I am convinced that yesterday's showing will neutralize any attempt at creating violence. I do not expect any acts of violence to occur on 25 February, that is, between 25 February and the early morning hours of the next day.

[Garcia] I am Orlando Garcia. I direct a program by (Radio Guagua) with the largest Spanish audience in the United States. Mr. President, many people in the United States feel, and are convinced, that the military aid to the contras is, so to speak, what has forced this democratic opening and the holding of this electoral process in Nicaragua. I would like you to comment on this, and also, what role will the opposition play in the government? According to polls, the opposition will lose. What role will it play in the government after the elections? Thank you, Mr. President.

[Ortega] The contras and the U.S. policy against Nicaragua cannot be viewed as a factor favorable to the democratization process in Nicaragua. On the contrary—I think that the entire U.S. policy against Nicaragua has worked against a multiparty system and against democracy in Nicaragua because it generates instability, tension, and polarization. For democracy and a multiparty system to operate, a minimum degree of stability, a minimum degree of normalcy is required. However, even so, during 1984, at the height of the U.S. aggression, we held elections in Nicaragua. These were multiparty elections with the participation of seven parties, some of which are now part of UNO. UNO, which was known as the National Democratic Coordinating Board [CDN] at that time, did not participate in the elections simply because the U.S. Government had so decided.

Mr. Arturo Cruz, who was leader of the CDN and later became a counterrevolutionary leader, gave statements upon resigning from the counterrevolution. He said that he had wanted to participate in the elections but the U.S. Government had opposed the CDN's participation. Consequently, the U.S. policy of terror and aggression against the Nicaraguan people has not created this opportunity in Nicaragua. It was created by the political will of the Nicaraguan Government and the revolution, which have been sponsoring this political opportunity ever since the revolution triumphed. And the first test was the 1984 elections. I might add that the major test will be the 1990 elections.

[Medem] Martin Medem, Radio Nacional, Spain. In a hypothetical negotiation with the United States after the elections, what characteristics of the Sandinist revolution would be negotiable?

[Ortega] Nicaragua's internal issues cannot be discussed in a negotiation with the United States, just like we cannot discuss internal U.S. issues. It is taken for granted that we will discuss security issues. In other words, the United States is worried about the Nicaraguan revolution and the Nicaraguan process given its interests in the region, and Nicaragua is worried about its stability as a nation, its territorial integrity, and its citizens given the U.S. policy in the region. Therein lies the crux of the matter.

We must discuss those points, which are logically linked with the actions adopted by the United States—arming the counterrevolution, financing the counterrevolution, implementing an embargo against Nicaragua, implementing a boycott within international organizations and at an international level, and exerting pressure on other governments so they do not cooperate with Nicaragua. We have to discuss all this. Therefore, we must discuss security issues in a negotiation between the United States and Nicaragua.

The internal issues are being discussed by the Nicaraguans. These issues will even be decided in the 25 February 1990 elections. The elections will face their ultimate test on 25 February, when the people cast their ballots.

[Rodriguez] Mr. President, George Rodriguez of Inter-Press Service. Yesterday, you mentioned two things in your speech during the event to close your campaign. You said that the model to be applied here would be Sandinist rather than communist or capitalist. I wanted to ask you: Can you be more specific about this? Also, referring to what you just said, you mentioned that in a dialogue with the United States you would discuss mutual worries—these would basically be security issues. If those mutual worries are overcome, would this imply a radical change in the U.S. attitude toward Nicaragua, for example, some type of economic aid or something like that?

[Ortega] I believe that if the United States managed to overcome its differences with the PRC during the Nixon era; and managed to overcome its differences with the Soviet Union during the Reagan era; and establishes new relations in politics, trade, technological, and cultural exchanges; and says it will increase detente, then why can the United States not work the same way with a small country like Nicaragua? I believe this should be the result of the normalization of relations between the United States and Nicaragua.

Referring to the model that the Sandinists have defended in Nicaragua, it is not a model. We have not chosen the communist model, meaning what is known as the communist model, the one which has been applied in Eastern countries. We have not chosen the capitalist model either. We have chosen a model that is based on a system of mixed economy and that favors multipartisan politics and an international policy of nonalignment. These are the three essential elements of the Nicaraguan revolution: multipartisan politics, mixed economy, and nonalignment.

What does this mean in specific terms? It means that Nicaraguans must work, convinced that it is neither a matter of seeking the betterment of the workers by abolishing private property and producers, nor a matter of seeking the betterment of the producers by exploiting and oppressing the workers.

Instead, we have to work to achieve a true social-economic agreement between city and country workers and producers—land and cattle producers, industrial producers, businessmen. We need to achieve a true

agreement, with the state boosting and favoring this agreement, in which we all assume responsibilities—the producer, the worker, and the state. The Sandinist project seeks, together with Nicaragua's economic and social forces, to improve the national economy as much as possible, but within the framework of social justice, respect for workers' interests, and respect for private property.

[Reporter] Mr. President [words indistinct], the FSLN has repeatedly stressed—especially during the electoral process—the need for agreement and national reconciliation. I would like to ask if there are talks now underway—before 25 February—with UNO representatives, and if this is the case, if the government is willing to offer them any government posts?

[Ortega] I cannot say we are holding talks with UNO people. One must take into account that we are in the midst of an electoral campaign and any contact could be wrongly interpreted. I have said that we are not maintaining a vengeful line amid the FSLN's sure triumph. I will strive to find a true reconciliation among all Nicaraguans and among the various political and economic sectors. I am going to propose a truce, because after the elections, this country is going to require one so all economic and social forces will concentrate their efforts and resources on improving the Nicaraguan economy. I am also convinced that by improving the Nicaraguan economy, we will be strengthening Nicaragua's democracy and multiparty system. Otherwise, if we do not improve the economy, it will generate social and political tensions and we all know perfectly well the consequences of that for any country because it results in instability and threatens the viability of any type of democratic process. I am therefore willing to work with any Nicaraguans are patriotically interested in improving this country.

[Reporter] [Words indistinct], TASS agency. I would like to ask the question more directly than my predecessor did. What does the future Nicaraguan Government look like and will it be possible to form a coalition government?

[Ortega] No, not a coalition. We are already undergoing an electoral process where we need a coherent, strong government that will be able to act with the speed required by the complex economic and social situations of our country and where the political elements will not interefere in these decisions. Thus, there is no reason why there should be a government in Nicaragua formed with opposition political forces. I do believe that the government here must be a very coherent and solid government. From there we must carry out a broad and flexible policy that is open to all economic and social sectors of Nicaragua, while demanding a constructive attitude from the political forces. That is why I even mention the need for a political truce so we Nicaraguans may dedicate ourselves to rebuilding the country, improving the economy, and improving social issues that have been so badly affected by these 10 years of aggression and war encouraged by the United States.

[Fernandez] Marlene Fernandez, CNN [Cable News Network]. Mr. President, yesterday the State Department accused your government of constantly harassing the opposition. The opposition claims that so far they have not received propaganda material crucial to their campaign. Could you reply to both questions, please?

[Ortega] I would be very surprised if the U.S. Government said otherwise.

Or that it said that all was moving along fine. The U.S. Government is expected to have that attitude because it has organized the contras and, thus, ignores the crimes the contras perpetrate against the Nicaraguan people. It is ignoring the recent crime perpetrated by the contras when they murdered four FSLN activists, including a prosecutor and a five-year-old girl. The U.S. Department of State says nothing about that. Why? Because it is the U.S. Government that is paying those murderers and that armed those murderers.

Later, [words indistinct] in Nicaragua, namely, UNO, has received U.S. Government financing. This financing was debated in the United States and approved there. In fact, we had banned the entry of money from the United States to this coalition, which we call GN [National Guard]-UNO, since Somozist guardsmen and contras belong to it. Therefore, we deemed it totally contradictory to allow the United States to provide funds to the GN-UNO in an electoral process while that country continues financing the contras, which are the military expression of U.S. policy.

But in the end, after talking to President Carter, who came here as an observer, I told him that we were prepared to let those funds come in as long as 50 percent of those funds went to the Supreme Electoral Council and GN-UNO got the other 50 percent. That is how that has worked. They have been receiving money. In fact, after a visit by President Carter, we discussed that matter again, because the U.S. Congress created new organizations and it put people who belong to GN-UNO in charge of those organizations.

Those people were put in charge of those organizations so UNO would receive 100-percent financing. Since these organizations were foundations, they can provide 100-percent financing to a party. This situation gave rise to polemics and discussions, as it violated the law. In the end, for the sake of contributing to the electoral process and not to give any pretexts to these people, we let them receive those funds. In sum, there has been no obstruction, but quite the opposite. The U.S. mission has served as the base from which to direct the GN-UNO people. Other diplomatic missions and ambassadors have done the same. A few ambassadors have participated in the plan to openly support GN-UNO.

There is no reason to talk of obstructions. They have a newspaper and a radio. They have everything that opposition groups in Latin America and the United States could wish for. There is greater freedom of expression, democracy, and political participation by many parties in Nicaragua than in any other Latin America country where elections are held, as is the case in this country. We have more democracy here in Nicaragua than in the United States. I wish that opposition groups in the United States would have the same political maneuvering room that they do here in Nicaragua.

[Reporter] [words indistinct] Mr. President, LA PRENSA has often suggested that the FSLN cultivated a kind of cult of Daniel; namely, that power is gradually being concentrated in the hands of one person. What do you have to say about that?

[Ortega] I insist that power rests with the people. Those who think power rests with one person are totally wrong and will encounter problems with that. I am convinced that power rests with the people, and that a political leader is able to communicate with the people to better lead the government's structures. One is a mere employee of the people. We must understand it that way. A political leader or the president of a country must understand that he is an employee at the service of the people. His boss is the people, and he must answer to that boss. Therefore, he has the obligation to listen to that boss to be able to lead well. Otherwise, that boss will disallow him and take away his job.

[Reporter, in English] Mr. President, after the elections—I am from the Caribbean and I certainly have an interest in knowing what your stand will be in terms of your foreign policy, if... [changes thought] In terms of shoring up your economic stocks you will have to go back to the [word indistinct], will you abandon your international position on the matter of trade, aid, and debt? You mentioned some time ago about [word indistinct] determination in the region and some sort of political coalition among countries in the region, Latin American and Caribbean. Do you think that if you go back to the [word indistinct] you will be able to continue with this kind of policy, or will you be forced to abandon them?

[Ortega] Nicaragua is and will continue to be a member of the Nonaligned Movement, which is the natural forum of Latin American, developing, and Third World countries. Nicaragua has played a very important role in reinforcing and giving impetus to the movement. The first stand the movement's member countries have approved at the United Nations and will continue to advocate deals with respect for legal order and international law. This is an essential factor, which must drastically change political, economic, and commercial relations between developed and developing countries.

By a proposal of the Nonaligned Movement, which was supported by the developed countries, it was decided at the United Nations in 1989 to declare the decade of the nineties, which will lead us to the year 2000, the decade of peace and international law. The two concepts cannot be separated from each other. In Latin America and the Caribbean, where the foreign debt represents a very heavy burden, foreign debt cannot be separated from the international economic order. They can pardon the debt, but if a new commercial and international order is not established, Latin America would be back in debt in a short period of time with no possibilities for development. That is why we have to break the present economic, financial, and commercial relations scheme between industrialized, developed nations and developing countries.

This is a battle that the Nonaligned Movement member countries must fight. This battle is part of the effort to find peace among the nations of the world. We must restructure, renew, and enrich the international legal order and economic relations. When the legal aspects of relations between states were approved after World War II, this approval gave an edge to the developed countries, those with greater economic and warlike potential, those who had emerged the victors in World War II. Several countries were given the right to a [UN] veto. The world was divided between those with absolute rights and those with relative rights.

Consequently, we have to change this international legal order and make sure that the relations between states are truly democratic. We must democratize the international legal order and the economic relations between developed countries and developing countries. In addition, we cannot abandon the struggle between Third World and Latin American countries to take consistent, joint actions to better face our common problems. At the same time, we cannot afford to neglect our own realities. We also have situations that demand changes. We in the Latin American countries must be convinced that we must encourage changes in internal relations and in the social, economic, and political fields so we can have greater authority to wage this battle for a better international economic order and for better relations in the international, legal, and political orders.

If we are not capable of making changes in our countries, we will hardly have the internal strength to exert pressure at the international level favoring the interests of the Latin American countries. I believe that this is the battle we must continue to wage in Latin America and the Caribbean. In fact, this is a battle being waged by Third World countries and the nations that comprise the Nonaligned Movement to attain a world of peace, true justice, democratic economy, and democratic juridical and political relations between nations. The world should not be divided into first-class nations—with more rights and advantages—and second-class or third-class nations.

[Matarolo] Mr. President, Rodolfo Matarolo, DIARIO SUR, Buenos Aires, Argentina. How will the results of the elections in Nicaragua influence the peace process in Central America? Also, does the Central American peace

process allow any role for the other Latin American countries who once comprised the Group of Eight?

[Ortega] There is a connection between the Central American situation and the Latin American situation, taking into consideration that the Central American crisis has repercussions in Latin America. Latin American countries do not want to be affected any longer by the problems that have resulted from the Central American crisis. This resulted in the creation of the Contadora Group, which was followed by the creation of the Group of Eight. I believe the battle being waged in Central America is a battle that is part of the Latin American people's struggle to achieve peace, democracy, social justice, and economic justice.

The elections of 25 February and the ratification of the Nicaraguan revolutionary process, following the victory of the FSLN, will favor the stability of the Central American, Latin American, and Caribbean countries. Latin American political leaders have told me that a blow against the Nicaraguan revolution—like it was planned by the United States—would have been a blow to the progress achieved in favor of democracy and the democratic opportunities that were occurring in Latin America and the Caribbean. It would have also been a blow to all the efforts exerted in Latin America and the Caribbean.

Therefore, a common front was organized to reject intervention in Nicaragua; a common front was organized to reject U.S. policy in Nicaragua; and a common front was organized favoring peace in Nicaragua. Since the Central American people have a peace process that is linked with the actions of the Contadora Group and the Group of Eight, Central Americans should feel satisfied. Above all, we should feel proud of what Nicaragua has done to strengthen the peace plan and what the FSLN's victory in the 25 February elections will represent for Central America and Latin America.

I am fully convinced, and the other Latin American leaders are convinced, that this will give us a new opportunity to achieve a peaceful solution to the conflicts that currently prevail in Central America, and it will favor efforts to resolve the problems that prevail in Latin America in a peaceful rather than violent way.

[Fowler] Mr. President, Ricardo Fowler of the Associated Press. This morning U.S. Secretary of State James Baker said that if the Sandinists win the elections on 25 February, the Sandinist government will have to demonstrate good conduct for some time, particularly and specifically by not arming the FMLN [Farabundo Marti National Liberation Front]. Can you comment on this, particularly the point about not arming the Salvadoran guerrillas?

[Ortega] I believe we should do away with subtleties. The important thing is to seriously work toward achieving peace.

I hope Mr. Baker and President Bush will be willing to hold an in-depth discussion of the U.S.-Nicaragua problem. I am prepared to discuss the U.S. worries regarding Central America and the Nicaraguan revolution, and it is the duty of the United States to discuss Nicaragua's worries over the U.S. behavior, which poses a threat to the security of Central America and Latin America. Talks about security affairs will lead to a normalization of relations.

[Reporter] [Words indistinct] arming the FMLN?

[Ortega] The Central American presidents have agreed not to allow our countries to be used for sending weapons to rebel groups. We reached that agreement; however, the United States has been the first country to violate this agreement because it has armed groups in Honduras called counterrevolutionaries, called mercenaries, who are paid to kill Nicaraguan people and conspire against the electoral process. I believe that if the United States is truly worried about situations like the one in El Salvador, it must begin by setting an example. In other words, it must begin by suspending all supplies to mercenary forces and by supporting the Central American presidents' peace plan, which demands the demobilization of mercenary forces and their reintegration into Nicaragua, what we call integration into Nicaragua, or the relocation to other countries for those who do not wish to return here.

[Romero] Mr. President, Daniel Romero of Radio America, Honduras. The culmination of the electoral process in Nicaragua will, of course, create a new political situation. What political opportunities will there be for the Nicaraguan counterrevolutionaries who are in Honduran territory and who, in one way or another, have caused us problems as Hondurans? If the FSLN wins, will the new Nicaraguan government offer the contras political opportunities with democratic guarantees?

[Ortega] The contras have been the enemies of democracy, and the Honduran Government has not had the fortitude to defend its territorial integrity and to fulfill the Central American presidents' agreement. To date, Honduras has not fulfilled its pledge to expel the contras from its territory, even though it is said that its army is very well organized and armed and has very sophisticated airplanes. Still, they have not taken that step. For my part, Nicaragua's doors are open to those people who have been directly or indirectly linked to the counterrevolution and who are living in Honduran territory.

During this pacification process in Nicaragua, many contras have surrendered, including some top contra leaders. This situation cannot go on indefinitely. A limit must be established. It will be up to Honduras to see what it will do with the contras in its territory. If, in the end, these people do not accept the very flexible peace plan approved by the Central American presidents, and if we are still threatened by counterrevolutionary groups, [word indistinct] the Honduran Government because

they are using Honduran territory and are financed by the U.S. Government to continue murdering the Nicaraguan people. The contras have an opportunity to return to Nicaragua, or they can remain in Honduras or go to another country, as stipulated in the agreement made by the five Central American presidents.

[Reporter] [Name indistinct] of France Press. Returning to the second to the last question, Mr. President. At the last presidential summit in Costa Rica, you signed a document supporting President Cristiani and condemning the armed struggle in that country. I would like to know who [word indistinct] that topic and [words indistinct] the Americans regarding relations with Nicaragua. What is your current opinion of the armed struggle in that neighboring country? Do you condemn it, do you still support it, or how do you view the situation in that country?

[Ortega] The Central American presidents have discussed this issue with total honesty. In fact, a mission headed by Mr. Henry Kissinger during the Reagan administration concluded that the causes of the armed struggle in El Salvador were legitimate, and that the armed struggle existed because of the prevailing social and economic injustices and the situation of violence against the people, all of which gave rise to that armed struggle. However, the Salvadoran revolutionaries support a peaceful solution to the Salvadoran conflict. At the latest meeting the Central American presidents held in Costa Rica, we agreed to ask the United States to contact the Salvadoran Government and the FMLN to promote a negotiated solution for the Salvadoran conflict. This is what the Nicaraguan government backs.

[Reporter] Commander Ortega, my name is Fernando Artiega and I work for the Ecuadoran magazine VISTAZO. Considering the number of ideological and political changes that have been taking place in succession in most socialist bloc countries and even in orthodox Cuba, which has announced that it will hold an assembly meeting on Tuesday [as heard] to analyze exactly how much its revolutionary process must change, I ask: What will the nature of Nicaragua's relations with those countries be, within the framework of those changes?

[Ortega] We established relations as a state, as a government, with East European countries, headed by the Soviet Union, starting in 1979. They established relations with a Nicaragua that was presenting an economic, social, and political system that was very different from theirs. They accepted relations with that revolutionary Nicaragua, and with that social and economic model of pluralism, mixed economy, and nonalignment. They have been respectful, so there is no reason for relations between Nicaragua and East European countries to be affected by the changes they are experiencing. In the latest meeting of economic representatives of those countries, they reaffirmed the lines of collaboration, cooperation, and commerce with Nicaragua.

[Reporter] Mr. President, I am Jose Luis Morales of the Spanish magazine INTERVIU. Considering that these elections are being very closely monintored by observers, do you not consider it a kind of humiliation that organizations such as the OAS dare to come to observe these elections while it did not dare condemn invasions like the one against Grenada or other kinds of aggression, and has not dared to monitor elections in Colombia and Brazil. This organization is really showing its submission and powerlessness in relation to the U.S. Administration. That is one thing. Another thing is this: What could happen to Nicaragua's political and economic reactivation after 25 February if contra actions continue, as contra leaders have already declared in Honduras?

[Ortega] We must keep in mind that Nicaragua had the initiative to move up the elections to 25 February, as they were scheduled for November of this year. I remember that when I was in Caracas for the inauguration of Venezuelan President Carlos Andres Perez, I talked to Latin and Central American leaders. Discussing the topics of Central America, peace, the U.S. attitude, the contras, etc. with them, I told them: We could move up elections in Nicaragua to allow all those who so wish to participate. However, I am asking for your support to remove the contras from Honduras, to disband the contras in Honduras. We reached a de facto agreement, and this later took shape at the meeting held in Costa del Sol, El Salvador, in February. When I announced the initiative to move up the elections to February, I said we would invite international observers from the OAS and the United Nations. I think this constitutes a sign of the strength of the Nicaraguan revolution.

I see it as a sign of strength, not weakness. I think this becomes a challenge to the member countries of the OAS—beginning with the Central American countries that signed the peace agreement—to be willing to allow OAS participation in an electoral process, as in Nicaragua. This is a challenge that I think is headed in a positive direction and will be conducive to strengthening democracy in Central America and to strengthening and developing democracy in Latin America and the Caribbean.

We cannot feel satisfied with the current electoral systems in Central America, although we are respectful of the decisions made by each Central and Latin American government. We like to see our neighbor's mistakes, but we do not like to see mistakes and limitations in our own countries. So, I think Nicaragua is giving an example to the Latin American countries, the United States, and Canada—since Canada now belongs to the OAS—on what they can do regarding the acceptance of an active OAS participation in the electoral processes throughout such a prolonged period of time, as Nicaragua has done, with so many observers, again as Nicaragua has done, to strengthen democracy in all the countries of the Americas.

[Reporter] [Name indistinct] of the daily newspaper EL PAIS. How have the political changes in Nicaragua influenced your relations with Cuba?

[Ortega] We have good relations with Cuba, and these relations remain unchanged. I have held many talks with Fidel Castro and we have talked about the Nicaraguan problem. He respects and defends the Nicaraguan system. He feels that every country, as is the case with us in Nicaragua, is entitled to find its own solutions. He has also supported the process we have implemented here in Nicaragua, involving a mixed economy, a multiparty system, nonalignment, and the current electoral process.

[Reporter] [Passage indistinct]. How can changes in East Europe affect Nicaragua politically and economically?

[Ortega] I have explained that changes in East Europe do not affect us in any way. They do not affect us in any way because the Nicaraguan revolution has been ahead of them. It has been a step ahead of the East European countries. In other words, what is viewed as something new in the East European countries is not new in Nicaragua. This has not been new in Nicaragua since 1979, because we defended those aspects as substantial parts of this revolutionary process; that is, a multiparty system and the mixed economy. This was already a fact in Nicaragua. Therefore, I do not see any reason for changes in relations between the East European countries and Nicaragua [words indistinct].

[Reporter] In economic relations?

[Ortega] [Word indistinct] As far as the FSLN is concerned, every party is obliged to be self-critical. The party that does not engage in self-criticism, the party that thinks everything it is doing is right, the party that thinks that nothing can or must change, tends to dry up, and when it dries up it tends to break. Just like the trees that become dry when it does not rain and they receive sun and more sun, the FSLN has to constantly receive some freshness. It has to be watered by permanent criticism. The FSLN must undergo both self-criticism and criticism from the outside, and the main source of it has to be the people. As the FSLN preserves this capacity to maintain its links with the people, it is a party that is renewing itself constantly. It keeps itself fresh. After 10 years of revolution, while entering the decade of the nineties, and as we get closer to the year 2000 and the 21st Century, we logically have to define what type of party we want and what type of party we want for the people of Nicaragua for this decade.

This is the revolutionary party we, the Nicaraguans, want to be projected into this decade. This is a matter that we Sandinists and Nicaraguans have yet to settle.

[Reporter] [Words indistinct] Mr. President, during this campaign you projected a very different image from the one we had of the commander of the revolution. With all due respect, I would say that the image you projected last night was more like a pop culture image. Is this a personal change, or just an exterior image used during the campaign? My second question, more serious, deals with the party's reorganization. Will the FSLN National Directorate continue to have the same weight in the government's decisions? Will the FSLN hold a congress in the future and give an opportunity to its militants to either change the leaders or ratify them in their posts?

[Ortega] As I said, we have to hold a discussion to enrich the Sandinist process and reinforce democracy. As for my role as president, I will implement an FSLN program as the president-elect of the Nicaraguan people. We must differentiate between the role played by the political leadership of the party and the role played by the president-elect, who implements a government platform. The most important decisions must of course be made by the president, who must always pay attention to the opinions of the FSLN members and the National Directorate. I think this is very important. We must at all times take into consideration the opinions of others, particularly those of the National Directorate members. Decisions are made more consistent by such consultations. And this does not have to become an obstacle in the decision-making process. That is to say, these things cannot be dealt with mechanically or dogmatically. Decisions have to be made dynamically and creatively.

As for the image, I want to tell you that when I was 14 or 15 years old, jeans had already been invented. I liked to wear jeans. I liked to wear multicolored shirts. I liked to dance and listen to music. Gradually, however, I became more and more involved in the political struggle. I removed myself from these things and spent seven years in prison. The struggle continued and the revolution triumphed. We lived in a time of war, confrontations, and great tension. The olive green color has been a symbol of this people, which strengthened them to face a war imposed by the United States. I think the time has come to put away the olive green color, although we are still threatened, and work with the Nicaraguan people to construct the peace we need so much and, particularly, to uplift the country's economy and social status.

I think that in this electoral campaign there have been contributions by companeros who are experts here in Nicaragua and contributions of friends from other countries who have visited us.

However, as far as my clothes are concerned, I have naturally chosen the clothes that I want to wear. When I went to Costa Rica....[rephrases] before I went to Costa Rica I had been using civilian clothes for quite a time. I had been combining civilian clothes with the military uniform. When I went to Costa Rica for the famous 27 October meeting, I chose to wear a military uniform.

I intentionally went like that. I could have worn these clothes, but I chose not to. I intentionally wore a military uniform because I wanted to emphasize there that Nicaragua had earned that right. Even though we [words indistinct] armed struggle and countering U.S. aggression, we had earned the right to be there in Costa Rica, talking with the other Latin American presidents,

because the Nicaraguan president was also a democratically-elected president. There is no need to wear a coat and tie to know that you are a democratically-elected president. [applause]

[Pardo] Bernadette Pardo, Channel 23, Miami, and the Univision Network. Two short questions: Could you tell us the total cost of the FSLN's campaign—the signs, flags, publicity, and everything we have recently seen here?

[Ortega] Commander Arce has already given you the information. I have the figures so I will refresh your memory. We had an income of $7,098,521.55—in other words, approximately $7 million. The amount of foreign exchange was minimal, approximately $500,000 in fresh foreign exchange, meaning (?cash). We also had a lot of donations. It is important to mention how international solidarity....[changes thought] While the Yankee government decided to approve millions for GN-UNO, the people—including the U.S. people—decided to support the FSLN.

We received donations in the form of articles like the t-shirts you have seen worn in the streets, caps, and other articles you have seen. We received $3,017,085 in merchandise. There was more, sent....[changes thought] The Supreme Electoral Council [CSE] assigned us the equivalent of $261,000. Half of the $500,000 we received was turned over to the CSE—I am talking about foreign currency. We also had other donations, for example, the fuel donated by the Venezuelan Government. There was also the amount collected through the sale of bonds and what some FSLN enterprises contributed. All this gives us a total of $7 million.

[Pardo] Another question. Yesterday you said this is a creative and vanguard revolution from which many other revolutions could learn something. Specifically speaking, what can the Cuban revolution learn? Do you believe Fidel Castro might become animated and decide to hold multiparty elections in Cuba?

[Ortega] I was making a generalized statement because there is a sacred principle—respect for other people's rights to peace. Each country, each nation, each people, and each government adopt their own decisions. I cannot give lessons to any Latin American country. I cannot give lessons to the American people, either. I believe the people of the United States must adopt their own decisions—whether or not they advocate the U.S. system.

[Reporter] Mr. President, your government says it has a great advantage in the polls and it feels confident of achieving a victory. Then why did your government suspend bus service to downtown Managua when UNO held its closing campaign rally at the Plaza of the Revolution? Why were the bus, water, and electricity services suspended in towns and cities that were visited by Violeta Chamorro? Are these obstructions not a sign of the FSLN's weakness?

[Ortega] The polls....[changes thought] I did not conduct the polls. There are some who say that polls can be rigged, yet it is reported in the United States that THE WASHINGTON POST conducted a poll with a U.S. television network—ABC—and it is they, not I, who claim the FSLN will win the elections. Another poll was conducted by Univision, and it claims the FSLN will win the elections. Two additional polls were conducted by another U.S. organization that conducts polls for U.S. Congressmen and Senators. I think it is called [unidentified speaker says: "Lindbergh"] Lindbergh, and this one also says the FSLN will win the elections.

Therefore, I am not the one who is saying that the polls indicate we are winning the elections. The U.S. pollsters are saying so. Ask them whether or not they are wrong. Do not ask me. One thing I am convinced of is that the Nicaraguan people will vote for the FSLN. Naturally, regarding what you have pointed out, you had better ask the observers because, from what I see, you seem to be better informed than they are. The ones who are qualified to say if violations are being committed, if transportation is being blocked, if violations are being committed in the electoral process, are the qualified international observers. We have observers from the OAS, from the United Nations, and from the Carter Group. In other words, we have here a number of international observers—like never before in the history of an independent country.

Therefore, I have not learned yet if the reporters have named you international observer for their group. This is the first news I have about it. However, if you have any concern in this regard, I think this can be better clarified by the CSE, or perhaps the international observers can tell you if this has happened or not. You did not ask me. Rather, you asserted that this has happened. Since you are making an assertion, ask the observers about it.

[Reporter, in progress] ... for ANALISIS, from (?Chile). Mr. President, during a recent interview, Dr. Sergio Ramirez raised the possibility that the FSLN could join Socialist International. He added that there have been some changes inside the FSLN as a result of its experience in the government and the electoral experience. I would like to know if the FSLN is internally discussing the possibility of joining the Socialist International, and, in particular, I would like to know your opinion on Dr. Ramirez's statements. What types of changes other than the ones you have pursued have occurred within the FSLN? There seems to have been a shift in the FSLN's original ideology. How are its relations with social democracy?

[Ortega] First, there is no ideological shift within the FSLN. What has happened is that some have insisted on characterizing the FSLN as an orthodox party that follows the most traditional line. Some people have asserted this, and the first ones to do so were the North Americans. They launched that story immediately after the revolution triumphed. They have tried to oblige us to define ourselves as a party that [words indistinct]. The

FSLN has always been an open party. It has always sought ways to join together all of our country's social, economic, and political forces to project Nicaragua toward the future.

I feel that, independent of its ideology, every party is obliged to revise and analyze itself to project itself better, to refresh itself. A party has to renew itself and, in this regard, I go back to the example of the tree, which lives as long as there is water to nurture it, if there are minerals inside the earth to nurture it too. A party has to sprout. It has to shed its leaves and to renew them. So, the FSLN has to begin this decade by immediately entering a phase of discussions to better define its projection for the coming years and to see how it can best project itself as a party both domestically and internationally.

[Reporter] However, (?pardon me), are there plans to hold a discussion [words indistinct] about this admission...?

[Ortega, interrupting, in progress]... about the admission or registration, but we have to do this after the elections. We will have to open this discussion after we win the elections on 25 February.

[Reporter, in English, in progress]... from Canadian television. I would like to come back to the question, sir, of supplying the FMLN in El Salvador. I wish to take, sir...

[Announcer, interrupting] This is a live broadcast from the Olof Palme Convention Center. The president is fielding questions from foreign reporters.

[Reporter, in English, in progress]... another big mistake from the State Department [words indistinct].

[Moderator] The reporter is referring to statements issued by the State Department that he said were very harsh. The statements were issued this morning.

[Ortega] I repeat: After the FSLN's victory in the elections on 25 February, I expect the U.S. Government to act responsibly and seriously and to open a discussion with the Nicaraguan Government to reach an understanding. I am prepared to reach an understanding with President Bush. I am ready to normalize relations. I think rhetoric has to be set aside. The discourse that is in no way constructive has to be set aside. We have to really begin working to overcome the differences that have arisen between the United States and Nicaragua, and to establish a new type of relations.

[Reporter] [Words indistinct] after the 25 February elections, what will the foreign policy of your next government be regarding two topics—the Palestinian and the Western Saharan conflicts, thank you.

[Ortega] Regarding these topics, Nicaragua has always supported the right of the Palestinian people to a homeland, and we have opposed the Israeli Government's policy of refusing to find a peaceful solution to the conflict and for acting in the brutal manner it has, primarily, on the West Bank and in the Gaza Strip. Throughout 1989, brutal repression was unleashed, and that has not changed in 1990. The Palestinian people have been resisting with great heroism and spirit and they have the solidarity of the people of the world. We will continue to struggle for the sake of the Palestinian people. This struggle is gaining more ground in international circles. There are other causes too, like those of the people of the Sahara and South Africa, which require more forceful action from Third World, developing, and Nonaligned Movement member countries, where these topics are part of the daily agenda.

[Reporter] (Daniel Alder) of UPI. In an article published by LA CRONICA, Interior Minister Tomas Borge said aid from East Europe has been cut. Can you give more details about this?

[Ortega] [Words indistinct] LA CRONICA. I am officially reporting, as the president of this country, on the results Foreign Cooperation Minister Comrade Henry Ruiz achieved not long ago at a meeting held in Bulgaria, where Eastern countries met to discuss commerce. All of them reaffirmed their willingness to continue cooperating with Nicaragua in the economic and commercial fields and to continue supplying oil to our country. Thank you, reporters, thank you, Nicaraguan people.

Foreign Minister Says U.S. Policy Must Change

PA2202221090 Managua Radio Sandino in Spanish 1930 GMT 22 Feb 90

[Report on "exclusive" interview with Foreign Minister Miguel D'Escoto at Carlos Fonseca Plaza; date not given]

[Text] In an exclusive interview at Carlos Fonseca Plaza, Foreign Minister Miguel D'Escoto said the United States will have to change its death policy in Nicaragua after the elections, even if the FSLN [Sandinist National Liberation Front] wins.

D'Escoto said the contras have not disbanded because the United States has continued to give them military aid. However, he said it is unlikely that the United States will continue giving assistance to the contras after the elections, because they are a stinking body that must be buried.

D'Escoto also said he has been leading Nicaragua's foreign policy for the past 10 years and it is time for a sort of "Yankeestroyka" to take place in the United States; that is to say, its interventionist policy must change. The Monroe doctrine must be left behind.

[Begin recording] [D'Escoto] The United States must realize it is time for the United States to implement what we would call "Yankeestroyka" in Latin America. This is what the Latin American peoples are demanding. They are demanding that the Monroe Doctrine's dogmatism be buried once and for all. [words indistinct] It is the

U.S. imperialist and interventionist policy that must change. It will have to change because its defeat has been a crushing defeat. This policy has already sustained two great defeats. This would be imperialism's third and definitive defeat in its desire to deprive the Nicaraguan people of their right to sovereignty and independence.

[Reporter] What possibility is there of the United States lifting the commercial embargo and changing its policy?

[D'Escoto] They have already said and given signs that they are willing to lift the embargo, provided the elections are free and honest, according to them. There can hardly be any elections more free and honest than those in which Daniel Ortega was elected president five years ago. So were the elections held prior to that one. After all, the FSLN did not reach power in Nicaragua through a coup d'etat, but through an insurrection in which all of the people voted with arms. The people used their inalienable right for insurrection in the then-current Nicaraguan situation.

I think the truth is already too evident and transparent. Nicaragua has adopted a series of measures to disseminate this truth. Never in world history has there been in any independent country a process of observation so broad as the one taking place in Nicaragua at present. UN member countries had never participated before as observers of an electoral process. This is a commitment we, the Central American countries, made in the context of Esquipulas. Nicaragua is the only country doing this. Although the others did not do it, we did so because we wanted to. Truth is the most powerful weapon that the Sandinist people's revolution can use to defend itself from the campaign of disinformation and systematic lies that has been an essential weapon used by the U.S. foreign policy in Nicaragua. [end recording]

Borge Reportedly Reveals GDR Suspension of Aid

PA2202183990 Managua Radio Catolica in Spanish 1230 GMT 22 Feb 90

[Text] A top leader of the Sandinist National Liberation Front, FSLN, has revealed that the GDR has suspended its aid to Nicaragua and other East Bloc countries. This is according to LA CRONICA, a political weekly, published today, in which Interior Minister Tomas Borge commented on the future of Nicaragua over the next six years; Interior Minister Tomas Borge said these years will be filled with problems, but that he not pessimistic. In this regard, Borge said, verbatim: It will be filled with problems. I am not pessimistic, although there have been changes in the Eastern countries that were most supportive of us. By the way, he added, I wish to tell you, regardless of what the Germans might believe, that Honecker was very supportive of and generous to our process. This has changed.

Borge added: Even the accords reached by the Interior Ministry and the GDR Security Minister were unilaterally broken by the Germans, and this was officially conveyed. Borge commented that other aid received from Eastern countries will not continue to arrive. However, commenting on the USSR, the interior minister said: I believe relations with the USSR will be maintained. The current difficulties will be temporary. An opening of Western European economic cooperation with Nicaragua is a possibility.

The minister said that regardless of whether that cooperation is received, we must work harder on our economy to exploit our own resources. In sum, I am optimistic about Nicaragua's future, although there will be risks and problems; I believe that we will be able to overcome them, Borge added.

He said the elections Nicaragua will hold on 25 February for a six-year presidential term are polarized between the FSLN candidate Daniel Ortega and the National Opposition Union [UNO] candidate Violeta Chamorro, who is editor of the opposition newspaper LA PRENSA.

Both groups closed their electoral campaigns this week in Managua, each claiming to have gathered more than 250,000 people. Borge predicts the Sandinists will win with a percentage of not less than 55 percent and not more than 65 percent.

Meanwhile, LA PRENSA published a poll conducted among 7,800 people by the Costa Rican firm Borge and Associates indicating that UNO will win with 45.9 percent while the FSLN will lose with 32.6 percent.

We repeat, the GDR has suspended its aid to Nicaragua.

OAS Secretary Arrives To Observe Elections

PA2202134490 Paris AFP in Spanish 0604 GMT 22 Feb 90

[Text] Managua, 21 Feb (AFP)—OAS Secretary General Joao Baena Soares said on arriving here today that he trusts that the 25 February elections will be held in a "calm" climate. Baena arrived accompanied by 160 OAS observers who, along with the 240 already in the country, will oversee the elections.

After calling on the Nicaraguan people to prevent incidents that could mar the elections, Baena said that his group is convinced that their work will be "impartial."

During his stay in the country, Baena Soares will meet with Cardinal Miguel Obando y Bravo, president of the National Reconciliation Commission, and with representatives of the political parties who are campaigning.

Also, the OAS secretary told reporters that the OAS observers will try to be present at as many polling tables as possible on election day to oversee the voting process.

Some 2,000 official observers and special guests, including those of the OAS, will oversee the upcoming Nicaraguan elections.

OAS' Baena Soares on Electoral Supervision Role

PA2302020390 Paris AFP in Spanish 2030 GMT 22 Feb 90

[Text] Managua, 22 Feb (AFP)—OAS Secretary General Joao Baena Soares said today that he is "firmly convinced" that he will be able to complete "with total autonomy and independence" his task as observer in the Nicaraguan electoral process, which will conclude with the general elections on 25 February.

"I would not be here if I was not firmly convinced that I could carry out my work with total autonomy and independence," he stated in a news conference held today at the OAS installations in Managua.

Nevertheless, the OAS secretary general told a large group of foreign journalists that his mission in Nicaragua does not consist of "proclaiming the winners" of the elections, but of issuing a general report on the country's electoral process in his role of official observer of the elections.

The OAS, the United Nations, and a group of delegates led by former U.S. President Jimmy Carter were invited by the Nicaraguan Government to supervise the electoral process as official observers.

The three missions have 700 supervisors altogether, in addition to more than 2,000 observers and special guests who have arrived in the country to witness the elections.

During the last phase of its task, election day, the OAS will carry out a parallel vote-counting process through a computerized sampling of votes based on reports sent by the electoral tables in the nine regions of the country.

Baena explained that, nevertheless, this information will only serve "to help me carry out my task of observing the Nicaraguan electoral process," and the results will not be issued to the media—according to the regulations established by the Electoral Tribunal.

Baena categorically denied the criticism that has reportedly been issued here concerning impartial work in Nicaragua.

"I do not accept gossip or insinuations. I want them to come here and tell me that," he said, adding that all his personnel have worked "with great sacrifice, maintaining their integrity and autonomy" throughout the electoral process.

Baena was also equally categorical when stating his position concerning Washington's possible negative reaction if he endorses the Nicaraguan elections.

"I am not here to please one country or another. I work under no conditions whatsoever. We are responsible for what we are doing. Otherwise, I would not accept being here."

Baena reasserted his viewpoint that "the electoral process has progressed within a framework of normalcy" and he issued an appeal to the Nicaraguans, particularly those involved in armed actions," urging them "to exercise their right to vote in a peaceful way" on 25 February.

Further Comments

PA2302031390 Managua Radio Sandino in Spanish 2014 GMT 22 Feb 90

[Text] OAS Secretary General Joao Clemente Baena Soares has told local and foreign newspapers that the delegation of the OAS observers will traverse the country's nine regions to see that the Nicaraguan elections are held normally. Baena said that, during the electoral campaign, all of the problems and difficulties raised by the various opposition parties have been settled, but that, despite this, he could not say anything on the possibility of fraud.

[Begin Baena recording] I signed my fourth report on 16 February. You will receive copies of this document. I intend to continue making these reports and will stay in Nicaragua until 25 April, when the authorities elected on 25 February are sworn in. I also intend to visit as many vote-counting boards as possible on 25 February. The members of our delegation are spread throughout the nine electoral regions. At present, we have 473 observers. Of course, the number of observers is greater. I have invited a special group of guests, congressmen, and parliamentarians from Latin American countries and the United States. I also have a group of consultants here who are experts in electoral law and the organization of elections in the various countries of our organization. These efforts rest on the shoulders of OAS officials and those of other organizations, such as the Pan-American Health Organization, the Inter-American Institute of Agriculture, the Inter-American (?Children's) Institute, and the Inter-American Indigenist Institute. The entire inter-American system is participating in this effort. In addition, we have the confirmation of member countries who have invited people experienced in elections to lend us a hand. This means we have the personnel trained and prepared for the task.

We also have material resources. We have installed radio equipment and computers to establish immediate communcations with all of the people we have in Nicaraguan territory. We have the (?necessary) facilities for the elections. [Words indistinct] Later we will give you the composition and distribution of our personnel, who will explain the use of computers to keep a vote tally for me. [end recording]

Obando y Bravo Notes Change in Sandinists

PA2302023390 Panama City ACAN in Spanish 1912 GMT 22 Feb 90

[Report by Andreu Claret and Filadelfo Martinez]

[Text] Managua, 22 Feb (ACAN-EFE)—Cardinal Miguel Obando y Bravo, archbishop of Managua, said today

that "during the electoral process, the Sandinists changed; they became more pragmatic."

During an interview with a small group of foreign correspondents, the archbishop, one of the regime's most outspoken critics over the past few years, attributed the Sandinists attitude to "the changes in East Europe."

"The fall of the Berlin Wall has made the Sandinist government reconsider. Otherwise, they would be left alone," said Obando y Bravo—who has met on various occasions with current President Daniel Ortega and the opposition's presidential candidate Violeta Chamorro—a few days prior to the 25 February elections.

Obando believes that "if the elections are honest, the winner must be respected," and he feels that the "United States will start conversations with the Sandinist National Liberation Front [FSLN]," if Ortega wins the elections and the observers certify the honesty of the electoral process.

"It is possible to improve relations with the United States," stressed Obando, who seemed willing "if necessary," to talk with the U.S. Administration to establish talks with the new Nicaraguan Government.

Obando y Bravo dismissed the possibility of a U.S. military invasion of Nicaragua following the elections, pointing out that "Nicaragua is not Panama, and Nicaragua's Armed Forces are not Panama's," which offered virtually no resistance to the U.S. invasion on 20 December.

The archbishop of Managua disclosed his willingness to vote "for the first time in my life," because he feels that "there was been enough war in Nicaragua and the time has come for people to express themselves by voting, by following a civilized course."

"If Nicaragua does not end the violence, the violence will end Nicaragua," Obando y Bravo underscored.

Referring to human rights in Nicaragua, the cardinal said that "if anyone is still under arrest (for political motives) he must be released."

Asked about the possible existence of prisoners following the release of 1,190 political pisoners on 10 February, Obando y Bravo said that "it is very difficult to know if anyone remains in jail because we have never received a list of the prisoners."

The cardinal expressed "optimism" regarding Nicaragua's immediate political future, and hoped that the new government "regardless of who it is," will not seek its own interests, will respect human rights, and employ competent individuals to improve the economy and allow the return of the professionals that have left Nicaragua."

Concerning his talks with Ortega, Obando y Bravo said that the Sandinist leader told him that he is willing to "allow the cooperation (in the government) of all the living forces in the country."

Obando y Bravo said that "the church knows how to forgive seven times and 70 times seven," referring to the tensions that existed until a short while ago with the Sandinist government, which for 1 year, in 1986, closed the leading Catholic radio station, and in 1984 expelled several priests who worked at the radio station.

Obando y Bravo disclosed that Ortega recently proposed that the second state-owned television channel again start broadcasting the Sunday mass that had been suspended since 1981, which "I did not consider advisable until after the elections"—the cardinal added—because of "that channel's short range and deficiencies."

UNO Reports Errors in Registration to CSE

PA2202184890 Managua Radio Corporacion in Spanish 1200 GMT 22 Feb 90

[National Opposition Union, UNO, letter to the Nicaraguan Supreme Electoral Council, CSE, issued in Managua on 21 February]

[Text] Managua, 21 February 1990
Honorable CSE at its office Honorable Council:

As a result of the Nicaraguan Government's delay in giving us the funds sent by the U.S. Congress to verify the citizens' registration process, we have only now been able to send you the results of our first investigation of said registration, which the Honorable CSE was so kind in sending us at the beginning of January.

Attached are 59 photocopies of computer pages in which the names of 1,449 persons appear. These persons registered two or more times in October 1989. The attached information has the complete name of the person, the number of his voter registration card, the voting board where he registered, place and date of birth, and his usual address. Far from being an official fraud, these are 1,449 cases of individual fraud conducted by persons who should be fined according to the law. In the next few days, we will send you more information regarding the electoral registration so the Honorable Council may take adequate measures.

We will greatly appreciate your sending us an official report of the changes made to the election registration list since it was given to us, because we do not have any type of official information in this respect.

Expressing my consideration and respect, I send my regards,

[signed] Dr. Hernaldo Zuniga Montenegro
UNO Legal Representative

UNO Leader Criticizes Ortega Rally Speech

PA2202162390 Panama City ACAN in Spanish 0249 GMT 22 Feb 90

[Text] Managua, 21 Feb (ACAN-EFE)—Adan Fletes, leader of the National Opposition Union (UNO), said today that President Daniel Ortega's closing campaign speech is "the same fraudulent speech he delivered in 1978 and 1979," in search of international support.

The Social Christian politician commented that the Sandinist National Liberation Front presidential candidate "disguised himself as a social democrat" in the speech he delivered at the Carlos Fonseca Amador Plaza in Managua. President Ortega spoke out in favor of reconciliation and promised to cancel "the enormous and unpayable debt" he claims the Somozists of the previous regime, the "contras," and the opposition have acquired with the Nicaraguan people.

"He also disguised himself as a believer and Christian" when he quoted from the bible, "but this is all part of the same fraud and of a not very serious speech," Fletes added.

According to the opposition leader, the current situation in Nicaragua requires that President Ortega explain how he will solve the acute economic crisis, the over 30-percent unemployment rate, and the fact that production has been set back 30 years.

Ortega's closing campaign speech had no announcements, and—according to Fletes—"was a show seeking to hide the difficulties of the Nicaraguan people."

As for Ortega's remarks to the effect that there were over 500,000 persons at his Managua rally, Fletes noted "this is an unreal figure that is part of the Sandinists' program of lies."

Contras To Stay Armed While Awaiting Changes

PA2202182890 San Pedro Sula TIEMPO in Spanish 22 Feb 90 p 27

[Text] Tegucigalpa—Contra commander Israel Galeano, alias Franklin, has told TIEMPO that the anti-Sandinist rebels will stay armed, regardless of the results of the 25 February elections in Nicaragua, to make sure the democratic changes take place.

"We will maintain our organization intact even if the UNO [National Opposition Union] wins, waiting for profound democratic changes and an end to the repressive regime imposed by the Sandinists," said the chief of staff of the Nicaraguan Resistance (RN).

This past January, the 29-year-old Galeano became the leader of about 12,000 Nicaraguan rightist rebels based in Honduras when the post of commander in chief of the RN army, a post Enrique Bermudez had held for 10 years, was eliminated.

Nicaragua will hold elections on 25 February, and the main candidates running for president are Daniel Ortega of the Sandinist National Liberation Front (FSLN) and Violeta de Chamorro of UNO.

The rebels, supported by the United States, have urged Nicaraguans to vote for the UNO candidate.

"If UNO wins, we will maintain our organization intact to see if on 25 April there are a total transfer of power and profound reforms, and particularly to see if the repressive system disappears," Galeano said.

"If the Sandinists win or steal the elections, there will be a social disruption against the system and the hardest struggle of recent years will take place," he added.

The contra military chief said that "if the people do not accept a Sandinist victory, "we will have to continue fighting."

He assured that the Nicaraguans will not accept an FSLN victory in the 25 February elections.

Galeano added that the Sandinists have deployed approximately 30,000 troops in the northern Nicaraguan departments to "intimidate and murder" UNO followers and to prevent approximately 300,000 Nicaraguans from voting.

Galeano pointed out that the press and the foreign observers of the elections have no access to the areas where the Nicaraguan troops have deployed.

"Even though the foreign observers claim the campaign was freely held, the people have had to make sacrifices," he said.

Galeano said that about 5,000 of his men are inside Nicaragua, and between 10,000 to 12,000 men are in bases in Honduras, "not moving, but just observing the electoral process" in Nicaragua.

The rebels in Honduras are receiving U.S. humanitarian aid in El Praiso Department and have rejected a demobilization plan approved by the Central American presidents. The rebels claim they do not have any guarantees for their personal security and for the implementation of a democratic process.

"The demobilization is based on the Nicaraguan Government creating conditions that will encourage the members of the armed RN to join civic life," he added.

Galeano said that the dismantling of his forces does not "depend of a simple elections," but rather on "the Sandinists leaving power completely."

The contra leader warned that "we cannot lay down our weapons when the causes that led to our taking up arms have not disappeared. There still is repression, a lack of freedom, and all of this was generated by the Sandinists."

He pointed out that in the event UNO should win the 25 February elections, "we would have to carry out a mutual demobilization. The Nicaraguan problem can be solved with an inter-American peace force that will receive all the weaponry and Soviet tanks of the Sandinists. Then, when we are at an even level of forces, we will turn over our own weapons."

The contra chief suggested a national police be created in Nicaragua.

Franklin said the contras are willing to continue the peace talks, but perhaps after the elections, with the new Nicaraguan government.

He assured that the rebel forces will not carry out "any offensive operations before, during, or after the elections , and will wait and see if there are changes in Nicaragua."

He said that the contras are willing to leave their camps in Yamales if it requested by the government of Rafael Leonardo Callejas.

"If political conditions do not allow us to remain, we will leave (for Nicaragua), but our refugeees will stay , as refugees," he added.

The chief of staff of the contras said his forces will not attack the UN peace observers on the Honduran-Nicaraguan border area.

He said RN relations with the United States are normal, but declined to comment on the ousting of Bermudez, arguing this is a fait accompli.

Contras Accuse Air Force of Bombing Communities

PA2302005390 Panama City ACAN in Spanish 2150 GMT 22 Feb 90

[Text] Tegucigalpa, 22 Feb (ACAN-EFE)—The Nicaraguan contras charged in Tegucigalpa today that on 19 February the Sandinist Air Force used airplanes and helicopters to bomb several communities in Zelaya, Matagalpa, and Jinotega Departments, in central and northern Nicaragua.

The rebels did not report any dead or wounded in the alleged attacks, which the contras say are part of an offensive begun in the days prior to the elections, scheduled for 25 February.

In a communique, the contras indicated that their fighters are not attacking Sandinist military targets, and that the purpose of the Nicaraguan military action was to "create confusion" regarding the electoral process.

On the other hand, Commander "Franklin" of the Nicaraguan Resistance (RN) General Staff said the RN will remain "intact," even in the event that the elections are won by Violeta de Chamorro, candidate of the National Opposition Union (UNO).

"We will remain intact to see if there is a total transfer of power on 25 April, in which the new government will make in-depth reforms, particularly the elimination of the repressive system," he added.

The RN military chief said that if the Sandinists win or "steal" the elections, there will be a "social uprising" in Nicaragua against the system, and there will be "a harsher struggle than that of past years."

"Franklin" said the Sandinists have deployed some 30,000 troops to departments in northern Nicaragua to "intimidate and murder" UNO sympathizers. He emphasized that the contras will not put down their weapons, because the cause that led to the creation of those forces—the Sandinists' ascent to power—"has not yet disappeared," and "the repression continues."

He added that his fighters are willing to leave the camps in eastern Honduras if the Honduran Government requests that they do so, but their families would remain.

Contras Deny Attacks Set for UN Helicopters

PA2202165690 Panama City ACAN in Spanish 0129 GMT 22 Feb 90

[Text] Tegucigalpa, 21 Feb (ACAN-EFE)—The Nicaraguan "contras" denied today in Tegucigalpa that their fighters will attack helicopters used by the UN Observer Group in Central America (ONUCA), which is guarding the Honduran-Nicaraguan border.

A report to this effect was made on 19 February by Sandinist Air Force (FAS) chief Colonel Javier Pichardo, who warned the ONUCA observers that their helicopters are in danger of being downed by the "contras."

Alejandro Acevedo, spokesman for the Nicaraguan rebels, said that "the Sandinists do not know what to invent to draw international attention," adding that what the Nicaraguan Government is trying to do is "dissimulate the fraud" that will be perpetrated in Nicaragua's 25 February elections.

Pichardo assured that the "contras" are equipped with approximately 500 U.S.-made "Redeye" anti-aircraft missiles, which are "a danger to civil aviation."

For the time being, ONUCA, which has its general headquarters in Tegucigalpa, is carrying out its supervision and surveillance duties in eight of the 12 helicopters it will have for its peace mission in Central America.

CSE Statement Outlines 'Exclusive Functions'

PA2202131590 Managua LA PRENSA in Spanish 20 Feb 90 pp 1, 12

[Report by Roger Suarez Martinez]

[Text] The Supreme Electoral Council [CSE] has issued a statement whereby it warns that "it is the CSE's exclusive function" to "conduct the final inspection of votes for elections, plebiscites, and referendums and to announce the final results of such events."

"The CSE is the only body authorized to announce the results of the elections for president and vice president of the Republic, representatives to the National Assembly, municipal councils, and the Autonomous Regional Council of the Atlantic Coast—elections which will be held on 25 February 1990. Consequently, participants in the current electoral race should respect those results," the resolution states.

The document adds that "for these elections, in fulfillment of the political constitution and the electoral law, the CSE has organized a system of electoral guarantees that will ensure citizens that the will they express in the elections will be faithfully respected."

"As of 2400 on the night of 21 February 1990, political proselytizing or any other activity pertaining to the electoral campaign will be prohibited, and the conduction and publication of electoral polls will be banned until 25 February 1990 at 1800," the CSE states.

Other measures and prohibitions announced by the CSE are:

That on election day people will be banned from: forming groups and proselytizing within and around the voting centers, and from holding any type of activities that may prevent or hinder the elections' normal development;

That the counting of votes is the exclusive function of the vote-counting boards, which must count the votes at the voting centers with the help of aides and only in the presence of inspectors and specifically authorized international observers, if any are present;

That political parties, alliances, and popular associations are banned from holding victory celebrations on election day, which will end at 2400 on the night of 25 February 1990;

That the media and reporters are obliged to present factual and responsible information, without using language that may incite violence;

That it is asking the political parties, alliances, popular associations, and their candidates and leaders to publicly support this resolution. To fulfill this resolution and any other measures that the CSE may have to adopt, the CSE declares itself in permanent session as of today.

Given in the city of Managua, in the CSE sessions room on 19 February 1990.

Mariano Fiallos Oyanguren, president; Rodolfo Sandino Arguello, vice president; Guillermo Selva Arguello, magistrate; Leonel Arguello Ramirez, magistrate; Aman Sandino Munoz, magistrate; Rosa Marina Zelaya Velasquez, secretary.

20 Feb Press Review on Election Campaign

PA2202130190

[Editorial Report] The Sandinist National Liberation Front (FSLN) newspaper Managua BARRICADA, on pages 1 and 2, carries a report on statements made—no date given—by the presidents of the Chamber of Industries, Jaime Bengochea; and of the Chamber of Commerce, Juan Lopez Zeledon, on relations with the Sandinist government. The paper notes that "both agreed on the importance of a rapprochement with the Sandinist government after the elections." BARRICADA quotes Bengochea as saying: "We have remained in Nicaragua. We want to produce. We are open to discussions with the government but we want them to take place in the framework of our association because we believe that recognition of our representativeness as the Chamber of Industries is of basic importance."

The pro-government evening newspaper Managua LA TARDE on page 3 carries an editorial entitled "It Is Time To Think Carefully." The editorial notes that the National Opposition Union (UNO) election campaign closing rally, "a rally UNO hoped would be an unprecedented show of electoral force," was attended by no more than 60,000 people, "according to foreign observers and the international media." The editorial states that on that same day, "in Leon, the FSLN held a rally attended by 200,000 people, according to UNIVISION, a U.S. television network." The editorial states that "with the 18 February demonstration, UNO earned the right to aspire to be the country's second political force, but nothing else." The LA TARDE editorial notes that Higher Council of Private Enterprise (COSEP) businessmen "and the U.S. Government are already speaking about the need to review past positions to normalize relations with the Sandinist government."

Also on page three, LA TARDE carries an article headlined, in English, "The End." The article comments that UNO was unable to fill a square with people for an election campaign rally, but did pack it with former members of the old National Guard. The same article reports that UNO claims 400,000 people attended that rally, but of all the media, "the source that most people saw at that rally, UNIVISION, estimated that 60,000 people were there."

The opposition newspaper Managua LA PRENSA reports, on pages 1 and 12, that the FSLN invents figures when reporting how many people attend the rallies for FSLN presidential candidate Daniel Ortega. The report notes that when Ortega went to Masaya, the government media reported that 150,000 people attended that rally. The LA PRENSA report then explains that "in urban Masaya only 50,676 people can vote" and "all Masaya Department has only 102,229 citizens." The article uses the same method to explain that FSLN rally attendance figures from Matagalpa and Leon also contain false information. "The FSLN lies about its figures. The figures are clear and cannot be inflated," the report notes.

On page 2 LA PRENSA carries the editorial: "The Road to Democracy Is Ready." It states that with the 18 February rally, the Nicaraguans "ratified their decision to march on democracy." The editorial adds: "The struggle was bitter, painful, and violent. There were moments when everything appeared lost, hopeless, in the face of a power that seemed unmovable, unconcerned about the future, certain of a strength that some considered undefeatable. " "But step by step," the editorial states, "day by day, the civic resistance gained ground over the brute force of the Sandinist Defense Committees, the mobs, the military posts, the abuse, the arrogance, the neo-Somozism, misery, controls, torture, and doctrines." The editorial affirms: The future UNO government "must function in the framework of modern, democratic, and humanistic laws."

LA PRENSA carries on page two an article by Jose Ernesto Somarriba according to which, "and with basis on the objective data provided by UNO rallies and on the thousand reasons the Nicaraguans have to desire a change of government and of system," the majority of the voters will favor UNO candidates Violeta Barrios de Chamorro and Virgilio Godoy. The article provides figures detailing how many people attended UNO rallies in the various Nicaraguan cities and towns, and concludes that a total of 1.132 million voters, including an estimate of 300,000 in the Managua 18 February rally, have participated in UNO election campaign rallies. The article states: "UNO's victory has already been decided by the Nicaraguan people."

The pro-government LA TARDE, on pages 15 and 16, carries an article by Guillermo Cortes Dominguez. The article states that when the late CIA Director William Casey was directing covert CIA operations against Nicaragua, he said: "Let us make those bastards sweat." The article notes that "It looks like now the U.S. Government is saying the same regarding the elections." The article notes how the Nicaraguan "internal opposition" received CIA money in 1983 for covert operations. The article reports that "the assistance to the internal political opposition was intensified after the Esquipulas agreement of August 1987, and especially after the Nicaraguan Government announced in Costa del Sol, El Salvador, that it would advance the elections to February 1990." The article reports that "between September 1988 and June 1989, the National Endowment for Democracy (NED) approved $3.5 million in aid for political parties, labor unions, young people and women's organizations, and media organs such as LA PRENSA, Radio Corporacion and Radio Mundial."

The LA TARDE article by Cortes notes that it has been estimated that "since 1984, the opposition has received $30 million in assistance," without counting the "$4 million that went directly to UNO" out of a $9-million package approved by the U.S. Congress on 17 October 1989. The article notes that the total includes "open NED aid, covert CIA assistance, and funds from West German foundations."

The article notes that "Washington was able to unite most of the opposition political parties" in support of Violeta Barrios de Chamorro. The article adds that a few days after Mrs. Chamorro "was received by President George Bush, thus being officially consecrated as the favorite of the U.S. Administration," Alfredo Cesar, "the North Americans' key man in the election process," returned to Nicaragua after seven years of exile. "Cesar is the State Department's envoy to pull strings behind the presidential candidate. He brought not only a clear strategy, he also brought formidable economic backing," the LA TARDE article states. The paper reports that Edgardo Chamorro, "who was a CIA agent when he formed part of the first contra political directorate from 1982 to 1984," has characterized Alfredo Cesar as the person who has real power in UNO and as a man "without scruples."

After noting that Cesar could become the target of all sorts of criticism when UNO is defeated on 25 February, the LA TARDE article concludes: "Poor William Casey, wherever his remains may be. UNO, that favorite creature of the CIA, did not turn out as expected and now it will be necessary to wait six years to invent a better rival for the FSLN."

Meanwhile, a LA PRENSA article by Ana Maria Ruiz on page 12 reports that the Sandinist police have given protection to a mob that is now dedicating itself to pulling down opposition posters and banners to replace them with Sandinist banners. The article reports that "leaders of the Sandinist mobs have unleashed violent actions and have beaten several persons who have tried to defend UNO's blue and white symbols."

21 Feb Press Review

PA2302163290

[Editorial Report] The pro-government newspaper LA TARDE on page three carries an editorial entitled: "Sandino in the Plaza." Referring to the FSLN rally to be held at Carlos Fonseca Plaza on 22 February, it says that "56 years ago Anastasio Somoza, with the connivance of the U.S. Embassy, ordered the murder of General Sandino. The editorial says that "there is no better way to honor Sandino than with huge crowds at the demonstrations and with a Sandinist victory in the elections." The editorial says that "the same traitors who murdered Sandino are again murdering the people who want to build a democratic and Sandinist Nicaragua."

The same paper, also on page three, carries an article by Daniel Martinez. The article also refers to Sandino's death 56 years ago. The article says that "protected by U.S. complicity, Somoza became a dictator, then president, and established a system of domination based on systematic political killings." It says many patriots were killed just because they dared to oppose the dictatorship. Just a few hours away from elections, the opposition is using a language of political violence. The article asks: "Is UNO ready to act reasonably after the results of the elections are known? If so, it should say so clearly and

openly, otherwise it will share responsibility for any violent act staged by any of its members."

Martinez Cuenca Named Acting Presidency Minister

PA2302132790 Managua LA CRONICA in Spanish 15-21 Feb p 3

[Text] Sources linked to the government have given LA CRONICA the exclusive information that, in view of the prolonged illness of Presidency Minister Rene Nunez Tellez, Dr. Alejandro Martinez Cuenca has assumed Nunez Tellez' post temporarily, while retaining his own post as planning and budget secretary of the Presidency.

Panama

Ford Says Frozen Funds To Pay Foreign Debt

PA2302035990 Panama City LA PRENSA in Spanish 22 Feb 90 p 1

[Report by Nubia Aparicio S.]

[Text] Yesterday, Second Vice President Guillermo Ford announced that part of the funds frozen by the U.S. Government will be used to significantly reduce overdue foreign debt payments. At the same time, he announced a plan to use $3 million to immediately create 5,000 jobs.

Ford said a portion of the frozen funds had already arrived, but part of those funds are being withheld "because we must make a significant contribution to reduce the large overdue amounts we owe to international financial institutions such as the World Bank and the IMF. [no closing quotation marks as published]

Ford, who is also minister of planning and economic policy, said at a news conference yesterday that "if we fail to make that payment, Panama will simply not qualify for new credits."

He added: "Right now, there is approximately $400 million available for the Republic of Panama from international financial institutions; however, it cannot be released until we update our payments."

Ford said that a support group has been formed with the United States, Japan, and other friendly governments to create a big fund to which each will contribute.

"Panama will make a large contribution; we will pay our overdue debts, and in that way we will have access to the $400 million," Ford noted.

He stressed that part of the money will be used to update foreign debt payments, but we will benefit from a larger sum.

Attorney General Ruben Dario Carles, who was present at the news conference, said $140 million of the frozen funds have been returned to Panama, part of which has been used to cover the payroll.

Ford also announced that the Cabinet Council yesterday authorized $3 million to be used in community work that will immediately generate 5,000 jobs at the at salary of $200 per month.

During a Cabinet Council two weeks ago, the comptroller general proposed a substantial reduction in the salaries of high-level government officials, which will result in savings of approximately $2.1 million per year and will greatly contribute toward the country's reconstruction, Ford said.

According to Ford, the reduction of salaries is an example to be followed, because it was a measure carried out in good faith to use the savings to balance the fiscal budget and to invest in the community.

Ford stressed that civic clubs will be responsible for projects to clean certain areas of Panama City and Colon, repair schools, and other activities, while the national government will contribute the funds.

Ford said the idea is to create jobs for the next three months, "because that is the period we have estimated that international bureaucracy will require to begin disbursing some credits."

He added that later he will announce a new mechanism to quickly reincorporate employees who lost their jobs as a result of the devastation that affected some businesses.

Ford said the funds that will be used in the project will be obtained through salary reductions. It is an emergency fund created by the comptroller general that will be covered by those savings.

$140 Million Withheld

PA2302163690 Panama City Circuito RPC Radio in Spanish 1200 GMT 23 Feb 90

[Text] The Panamanian Government is withholding $140 million, which represents the tax money that several U.S. companies owed the Panamanian Government. During the previous regime, these companies withheld their tax money from the Panamanian Treasury as a result of a series of provisions adopted by the U.S. Administration to force Manuel Antonio Noriega's withdrawal. This information was revealed by Panamanian Comptroller General Ruben Dario Carles during a news conference.

Carles said the Panamanian Government will use that money to make its accounts current with the IMF and the World Bank, to become eligible for new loans.

Endara Views Amnesty, Coup d'Etat Rumors

PA2302003390 Panama City Telemetro Television in Spanish 2300 GMT 20 Feb 90

[Interview with President Guillermo Endara by unidentified reporters; date and place not given—recorded]

[Text] [Endara] We already feel criticism against us. We feel it, and this encourages us. Criticism does not stop us but rather encourages us to go forward. We correct our errors. That is what democracy is all about.

[Reporter] It seems that your statements that amnesty would be given to those linked to crimes during the previous regime has not been accepted. What are your comments on this?

[Endara] Please recall that I did not make these statements myself. One of my representatives made them, and when he did, he was referring exclusively to those who signed a document that was strictly political [not further explained]. I accept the criticism received and believe it is good the matter is being discussed. I do not believe I will make such a decision immediately. This is a matter for the future. I want people to discuss it, that it be amply discussed. I promise I will act according to what the people want. I told the Panamanian people when I entered the Presidency that the one who climbed the steps was Guillermo Endara, but it is the Panamanian people who would sit in the presidential chair.

[Reporter] Mr. President, a local newspaper said that a coup d'etat could take place against your administration. What are your comments on this?

[Endara] Who is going to carry out the coup? A coup is inconceivable at this time. I believe the Panamanian people really back this government. It can criticize it—this is correct and has to be done—but the Panamanian people back this government.

[Reporter] After two months of government, what has actually been received in U.S. aid to Panama?

[Endara] We are concerned about the delay, but we believe it is a result of their democratic system—the United States has such an ample democracy: They have a congress that is divided into two chambers, the Senate and the House of Representatives—so, there is reason for the delay. We expect, however, that the aid will be sent very quickly. Here in Panama, we are very willing to work and contribute what is important—our work. However, we need to receive aid from our U.S. brothers.

[Reporter] Will your government give financial aid to the relatives of soldiers who fell on 20 December?

[Endara] We are studying this matter. After all, they are our fellow countrymen, and we will never forget them.

[Reporter] The DPA News Agency and later the newspaper CRITICA LIBRE has reported your forthcoming marriage. Is this true? When will it take place?"

[Endara] It is true; we still have not set a date, but I believe it will be around June. You are all cordially invited.

PRD Reportedly To Hinder Assembly Installation

PA2302005590 Panama City EL PANAMA AMERICA in Spanish 21 Feb 90 p 1A

[Article by Juan Prisiola]

[Text] Raul Jeronimo Ossa, president of the Christian Democratic Party [PDC] and proclaimed legislator, charged yesterday before the Electoral Tribunal that the Democratic Revolutionary Party [PRD] has prepared a strategy to "hinder" the installation of the Legislative Assembly.

A group of proclaimed legislators from the PDC met on 20 February with the members of the Electoral Tribunal—Yolanda Pulice, Luis Chen, and Carlos Icaza. During this meeting, Ossa insisted that the PRD is a "satanic party that supported the dictatorship and is now trying to block the consolidation of democracy" in the country.

According to Raul Ossa, the PRD is planning to present several appeals to delay the delivery of credentials to 57 proclaimed legislators.

The delivery of credentials to the proclaimed legislators is slated for 23 February. Mrs. Pulice announced that the Electoral Tribunal will make use of all legal means to prevent the postponement of the ceremony.

The chairperson of the Electoral Tribunal also announced the tribunal's plans to present the credentials "by the best possible means, making use of all legal resources." She explained that once the legislators have received their credentials, the presentation of of those credentials may be challenged, but this does not prevent the installation of the legislative body.

The installation of the Legislative Assembly has been scheduled for 1 March, and the Assembly leadership will reportedly be as follows: Carlos Arellano Lennox, president; Alfonso Fernandez, first vice president; and Arnulfo Escalona, second vice president. According to legislator Mario Rognoni, the PRD has not yet decided if it will present candidates to compete with the Civic Democratic Opposition Alliance (ADOC) majority.

The Evaluation and Auditing Commission of elections for corregimiento representatives was also installed on 20 February.

Carlos Bonilla, secretary of the Electoral Tribunal, announced that the Provincial Electoral Directorates are receiving all the tally sheets on these elections and that the commission will soon visit provinces throughout the country to analyze the documents.

This commission, which does not have a deadline for doing its job, must present its recommendations to the Electoral Tribunal to proclaim the 510 corregimiento representatives. In a party document, the PDC claims to have won 210 seats.

Public Employees Union Protests Mass Dismissals

PA2302025490 Panama City Telemetro Television in Spanish 2300 GMT 21 Feb 90

[Text] Today, National Federation of Associations of Public Employees [FENASEP] members held several demonstrations at different institutions to protest mass dismissals. During these demonstrations, FENASEP members shouted slogans against the present government and demanded justice for the dismissed employees. FENASEP spokesman Roberto Pinnock said about 2,500 public workers had been fired. However, only a small group demonstrated today. Some of the public workers fired by the present government were members of the so-called Dignity Batallions and the CODEPADI [Committees for the Defense of the Fatherland and Dignity], and others had worked for more than 21 years for the government.

[Begin Pinnock recording] The government is implementing a policy of dismissing 20,000 - 25,000 government employees to comply with international financial organizations' quotas to ensure that these organizations will provide new loans to the country. It is not, as government officials say, that they are only going to dismiss CODEPADI and Dignity Batallion members. [end recording]

Article Stresses Need for U.S. Aid

PA2302035790 Panama City EL SIGLO in Spanish 22 Feb 90 p 2

[Article by Dionisio Enrique Sanchez: "The Wolf Is Coming...With an Eye-Dropper"]

[Text] For more than two years, Panamanians had been crying wolf until the morning of 20 December when—WHAM—the wolf actually appeared in the form of U.S. troops. All those who one way or another were opposed to or were persecuted by the narco-dictator's government had waited for that moment to arrive. Only the policemen and their political branch did not believe it would happen and were partying until that fateful day.

Now we are waiting for another wolf—the announced, much-touted U.S. Government aid. A few weeks ago, President Bush announced an economic injection plan for our country. A few minutes later, our President Endara appeared on television to express his appreciation for that aid. However, three weeks have passed since that wolf call...and nothing has happened.

A few days ago, there was another happy announcement by the U.S. President. Another wolf in the form of $42 million dollars is coming, but it has not yet officially arrived.

All of this leads us to ask: Is it true that the United States is going to give us that much-touted aid, which will permit us to begin the path of Panama's economic reconstruction? If so, are they going to send us that aid through eye-droppers, beginning this year and ending in the year 2000 or later?

Panamanians do not need intravenous serum or to be fed through eye-droppers. We require aid, in whatever form—loans, donations, or contributions—which will permit us to set out on our course, to know where we are headed. Enough of crying "wolf."

Columnist Contends 'Nothing Has Changed'

PA2302040590 Panama City LA PRENSA in Spanish 22 Feb 90 p 14A

[From "Counterpoint" column by Marta Gasteazoro: "Nothing Has Changed"]

[Text] Nothing has happened here! All of our hopes and illusions vanished with the white handkerchiefs after the triumph, when our liberation came.

The Public Force is virtually unchanged. The same sadists who beat us, tortured us, and killed us are still there. They are the same number as before, but they are now hiding who knows where. Not a single one of them is ever seen during the assaults and robberies that are taking place day and night. In the past, the 15,000 men were never seen because they were taking care of a single man. They only showed up for repression. Where are the 14,000 men we are still paying for now?

The heads of government offices, ministers, deputy ministers, managers, directors of autonomous institutions, etc. are completely inaccessible; they spend their time going from one meeting to another without accomplishing anything and disregarding urgent needs. Scoundrels of the previous regime are the only ones able to meet with them. For instance, look at the picture in which Mario Rognoni [former commerce and industries minister] is hugging President Guillermo Endara, which produces unbearable repugnance.

Thousands of lawsuits remain unresolved, and there are no sentences or fines being issued. Bribes at the airport are alive and well, and since government officials do not answer their calls, everything remains the same.

Why? Why is it that among so many honest and decent people who still live in this country, the best have not been chosen to replace the officials from the previous regime? Why is it that those who have repented or who have turned into chameleons, as they are now called, continue to give orders? Who keeps them there?

No, gentlemen, this cannot continue. The time has come to show that things have indeed changed by not allowing Rigoberto Paredes [former Democratic Revolutionary Party (PRD) legislator] and Romulo Escobar [former president of the PRD National Executive Committee] to speak openly at will as if the fateful PRD were still ruling.

Those who are ruling us: Save us!

Commentator Calls for Civilian 'Battalions'

PA2302042990 Panama City LA PRENSA in Spanish 22 Feb 90 p 14A

[Commentary by Aristides Collazo, Jr: "What Will Happen After the Gringos Leave?"]

[Text] The U.S. Armed Forces currently in Panamanian territory will eventually have to withdraw. The question is whether the Panamanian Government will be able to control the country once the foreign troops leave. Their presence has given us a certain degree of tranquility in view of the fact that the Panama Defense Forces were disbanded and the members of the new Public Force are giving the impression that they are working without enthusiasm.

It is illusory to believe that the corruption, which reigned among the toppled military men, will be erradicated overnight. I refuse to believe that many officers are not uneasy for no longer enjoying past benefits and for being under civilian authority. Of course, there are exceptions, and I hope they are the majority.

All those pseudo-military men whose "brilliant" careers were destroyed and who are now free and not linked to the government, are frustrated and rancorous, full of hatred, feel nostalgic about past sinecures, and long to return to the previous state of things. These individuals, along with the civilians who supported the dictatorship—and why not—also with the support of any foreign forces, would be ready to destabilize the country through subversive movements, urban or rural guerrillas, and terrorism and other kinds of actions.

In view of such a feasible possibility, there are aspects that must be considered:

1. We Panamanians do not want the establishment of another military force.

2. It is presumed that there is a large number of hidden weapons in the hands of or accessible to those who were a part of the dictatorship.

3. The country is facing such a high unemployment rate that the unemployed are being forced to participate in illegal actions.

4. We cannot expect the U.S. Army to come out to help the Panamanian people every time we encounter domestic problems.

Given that most Panamanians reject the creation of another military force, the state must adopt the appropriate measures to guarantee the country's stability and preserve our budding democracy. We cannot expect the group of civilian policemen being organized to be able to repress and neutralize an armed aggression.

Among other things, there is a need to establish a sort of civilian protection reserve force involving the voluntary participation of all Panamanians with moral and physical capability to defend the Panamanian democracy. Those who participate would be trained in the use of weapons and war equipment and would be available to serve whenever called. The idea is not to arm the people, but to create a civilian reserve trained to act during an emergency. Its members must know how to react, to which authorities they report to receive weapons, and how to effectively help defend national territory.

If we do not want an Army, we must establish our own protection through a civilian reserve, which would not be armed, but would be ready to act when our democracy is threatened.

The danger and threat represented by the dictatorship's henchmen, who are moving about national territory waiting for an opportunity to act, is looming over our country. We cannot let them turn our country into an arena for guerrillas or for a return to the past. In view of the experience, our permanent search for liberty and democracy must be realistic—knowing that our enemies are inside our own territory, we cannot passively wait for them to attack us. Let us take advantage of the circumstances to ensure that we never again fall into the hands of a dictatorship.

Let us establish our own civilian "battalions," but this time around to prepare ourselves to defend peace, justice, and liberty.

Argentina

Army Chief of Staff Says 'No Unrest' in Army

PY2202125890 Buenos Aires TELAM in Spanish 0000 GMT 22 Feb 90

[Text] Cordoba, 21 Feb (TELAM)—General Isidro Caceres, Army chief of staff, today said: "There is no unrest" in the Army. He added that "like any other organization of people, it has its problems and defects characteristic of human beings."

Caceres admitted, however, that "some isolated groups may be trying to encourage situations that should be eradicated from our country and from our society." Gen. Caceres said this at the Cordoba Airport before returning to the federal capital.

Commenting on the attack on Major Carlos Montero's home in Cordoba yesterday, he said: "I have no further information on the issue." He asserted that there is "absolute order and discipline within the Army, and that there are no signs of misbehavior."

Regarding local Governor Eduardo Angeloz' possible incorporation in the national cabinet, Caceres said: "The country welcomes the contribution of all of its citizens, and Angeloz is doing much for the country from his position here."

Caceres arrived in Cordoba this morning on a routine visit to military units throughout the country.

Governor Angeloz Denies Accepting Appointment

PY2202122690 Buenos Aires TELAM in Spanish 0037 GMT 22 Feb 90

[Text] Cordoba, 21 Feb (TELAM)—Cordoba Governor Eduardo Angeloz tonight denied news reported by a Buenos Aires press agency stating he "had accepted President Carlos Menem's invitation to take part in the national administration."

A communique released tonight by the Cordoba Province Press and Broadcast Secretariat states:

"I have here NOTICIAS ARGENTINAS (NA) cable number 137, entitled 'Agreements,' which bears the dateline Buenos Aires 21 February. The cable reports that I have accepted the invitation made by the president of the Republic to occupy a position in the national administration. I categorically deny this and declare the sources that published this item did so without authority."

"Signed Eduardo Cesar Angeloz, governor of Cordoba."

Proposes Sociopolitical Accord

PY2302000190 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2222 GMT 22 Feb 90

[Text] Buenos Aires, 22 Feb (NA)—A few minutes ago, Cordoba Governor Eduardo Angeloz sent his reply to President Carlos Menem, asking him to call for a general accord between parties, labor and business organizations, and the other sectors in order to overcome the crisis.

It has been learned that Angeloz stated that the accord "should be neither a mere description of principles nor a vague statement." Angeloz suggested a social truce and a referendum "to confirm or rectify decisions made during the elections."

Angeloz' personal letter for Menem was delivered by Hector Palmero, the secretary of the Cordoba governor, to presidential secretaries Ramon Hernandez and Miguel Angel Vico shortly after 1900.

Menem, Troccoli on Angeloz' Help

PY2302010290 Buenos Aires Domestic Service in Spanish 1500 GMT 22 Feb 90

[Text] President Carlos Menem has said he is expecting the contribution that Governor [Eduardo Cesar] Angeloz of Cordoba can provide to overcome this crisis. Menem said the former UCR [Radical Civic Union] presidential candidate will disclose some opinions on issues we have discussed. I am expecting his contribution, the president pointed out. The president considers it very possible that Angeloz will make his assessments in writing and will forward them this weekend or next week.

Regarding the position the governor of Cordoba would hold in his government, Menem said this issue has not yet been discussed. He pointed out that he talked about the national union and a political, economic, and social pact in his message to Congress on the day he took office as president.

Menem praised UCR President Raul Alfonsin's support for Angeloz's possibly joining the government, pointing out that the attitude of his predecessor is consistent with the national unity that has always been proclaimed in Argentina.

Concerning the events in Rosario, Carlos Menem said the situation is quite different from the one last year because it is perfectly under control throughout Argentina.

We know, the president added, that everything being done is hitting the community very hard, but there is no other alternative.

Antonio Troccoli, interior minister of the past constitutional government, this morning said that Eduardo Angeloz will not join the national government, although he will propose that President Menem call for a broad political-social accord.

In view of that offer, Angeloz will undoubtedly tell President Menem: My answer is no. Thank you very much, I cannot join the government.

Troccoli, a UCR leader from Buenos Aires Province, added that Angeloz will also propose that Menem call for

a broad accord with political forces, trade unions, and the business sector to define basic policies and then implement them. The best, the most able men will be chosen, Trocco'i noted.

Troccoli confirmed that President Menem and Governor Angeloz will meet 25 February in Leones, Cordoba Province, during the national wheat festival celebrations.

Social Emergency Plan To Start in Buenos Aires

PY2202182290 Buenos Aires Domestic Service in Spanish 1500 GMT 22 Feb 90

[Excerpts] Several measures are being adopted in the provinces to prevent incidents similar to the one that occurred in Rosario yesterday. In Buenos Aires Province, particularly in Greater Buenos Aires, a social emergency program is being implemented. The program will start in a few days, now that the economic crisis is affecting the poorest strata of society.

Buenos Aires Government Minister Carlos Alvarez said this morning that the situation in the province is entirely normal, although authorities are concerned about possible reoccurances of the looting that took place there last year. [passage omitted]

Commenting on the social emergency program declared by Governor Caffiero, Minister Alvarez said that the program includes provisions ranging from school-snack programs to the immediate creation of nonconventional jobs. He said that they are planning to create bonuses to pay for electricity and transportation services, and that, in the most severe cases, the local government will reduce taxes and even excuse poor people from paying them. In the case of people who owned more than 50 properties or large amounts of land, the taxes will be increased.

After reporting on two looting attempts in (?General Sarmiento) and Lomas de Zamora, Alvarez said that the provincial police have been placed on a state of total mobilization to prevent looting. [passage omitted]

The mayor of Lomas de Zamora has announced that, as of next week, several soup kitchens will be installed in the district to assist the most destitute. [passage omitted]

Antonio Meritero, the chief of the San Juan Province police, said that the police are in a state of alert to prevent incidents similar to those which occurred in Rosario. He added, however, that the situation is entirely calm in the province.

Looting, Clashes With Police Reported in Rosario

PY2202195490 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1838 GMT 22 Feb 90

[Text] Rosario, 22 Feb (NA)—Provincial police reported that two stores in Rosario were looted early this afternoon and eight persons were arrested. There were two confrontations with the police in Rosario and shots were fired in one of them.

At about 1400 [1600 GMT], some 15 persons entered a butcher's store at 1500 Ricardo Nunez Street and seized all the merchandise, which the owner estimated to be about 200 kg of meat.

At the corner of Uriarte and Pasaje Zelaya streets, the police arrested eight persons of a group of approximately 40 who had looted a beverage store.

Meanwhile, shots were heard in front of 2000 Genova Street, giving rise to a confusing situation in the middle of what seemed to be a clash with the police.

A similar situation occurred near the building at 2000 Rondeau Street, in the vicinity of a supermarket, where police threw tear gas grenades.

All the incidents occurred in the northern sector of the city.

Health Ministry Sends Food

PY2302001590 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2147 GMT 22 Feb 90

[Text] Buenos Aires, 22 Feb (NA)—A highly placed government source has told NOTICIAS ARGENTINAS that the Health and Social Action Ministry has decided to send 15 tons of food to Rosario. This food will be distributed among the poorest people. The food will be taken to Rosario on a Hercules C-130 plane of the Argentine Air Force. This plane was due to arrive in Rosario late this afternoon.

Chilean Deployment, Weapons Cause Concern

PY2202235290 Buenos Aires DYN in Spanish 1836 GMT 22 Feb 90

[Text] Buenos Aires, 22 Feb (DYN)—Today a reliable source disclosed that the deployment of Chilean Armed Forces, including armored units, to southern Chile, along with improved technology and quality of the Chilean Armed Forces weapons, is causing concern in the defense area.

The source specifically mentioned the manufacture of a helicopter by a private Chilean factory as well as the purchase of Spanish- and U.S.-made airplanes and helicopters.

The helicopter, whose prototype has already flown a large number of hours, has received the approval of the U.S. "Aviation Agency" [preceding two words in English], an indispensable requirement for subsequent

sales abroad. It is manufactured by the private Chilean factory CARDOEN which produces cluster bombs and other war materiel that Chile exports to Third World countries.

The source said that, due to its easy maintenance, operation, and low cost, this helicopter is ideal for export to traditional Chilean markets since it is easily produced in substantial numbers.

The source also indicated that in November, on the anniversary of Chilean Army aviation, three Spanish-made Casa 235 airplanes, which can be used to transport passengers and cargo, and 15 U.S.-made Enstrom 280 helicopters were presented.

The source did not disclose "other data," which "reveals a recent strengthening of Chilean naval, air, sea, and combat aviation."

Barco To Visit in March; Ambassadors Appointed

PY2202140090 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2355 GMT 22 Feb 90

[Text] Buenos Aires, 21 Feb (NA)—Colombian President Virgilio Barco will arrive for an official visit on 2 March and will meet with President Carlos Menem. The executive branch has declared the Colombian president and his entourage guests of honor.

It has also been announced that, concurrent to their present positions, Hector Alberto Flores has been appointed ambassador to Antigua and Barbuda, and Nora Lucia Jaureguiberry has been appointed ambassador to the Republic of Cape Verde.

Dr. Edith Tuck has been named Argentine domestic delegate to the Interamerican Women's Committee (CMI).

Bolivia

Peasants Warn on Use of Coca-Eating Insects

PY2302135690 Madrid EFE in Spanish 2052 GMT 22 Feb 90

[Text] La Paz, 22 Feb (EFE)—The Bolivian peasants, who compose the overwhelming majority of the Bolivian population, today warned about a possible "civil war" should the United States decide to use "biological weapons" to destroy the coca crops.

The report by the THE WASHINGTON POST that the U.S. Administration had released $6.5 million for large-scale reproduction of the voracious insect called "malumbia" that would be used to eat the leaves of coca crops in Peru and Bolivia, has prompted a number of government protests and threats from the Bolivian peasants.

Peru and Bolivia hold first and second place, respectively, as world producers of coca leaves, the raw material for the production of cocaine.

Leonardo Villca, leader of the General Trade Union Confederation of Peasant Workers of Bolivia (CSUTCB), told EFE today that the U.S. intention to use "biological weapons" against the Andean coca crops has radicalized the peasants, who stated that they will resort to the use of force against this action.

Villca stated that "a biological war against the coca crops represents a flagrant aggression that will unleash a civil war." Villca is a member of the National Council for Alternative Development (CONADAL) [Consejo Nacional de Desarrollo Alternativo], an organization created by representatives of coca producers and of the government shortly before the presidential "summit" on drugs held on 15 February in Cartagena de Indias (Colombia). He added: "We peasants believe that the Cartagena summit, which opposed the use of herbicides and violence, was a farce and that over the past few years we have been used as guinea pigs."

"If you have a house in which to live, a dish of food to eat, and you feel that all that is being threatened, you will fight for it to the bitter end," Villca stated. He said that the slogan "an eye for an eye and a tooth for a tooth" announced yesterday by the peasants of the Chapare region, the main coca producing zone, is very "significant."

He added that the U.S. intention to release insects on the coca crops "proves that the Cartagena summit was a farce and that the declaration for an overall development as a means to fight drug trafficking is untrue."

Villca added that the peasants received with satisfaction the "coca for development" declaration signed in Cartagena by Presidents Jaime Paz Zamora of Bolivia, Alan Garcia of Peru, Virgilio Barco of Colombia, and George Bush of the United States, but that "now we know that one card was hidden up the sleeve."

"We now have doubts about the intentions of the Bolivian Government which, in exchange for some economic support, will accept conditions by the United States," he added.

According to Villca, this compounds the conviction that over the past few years "the U.S. Administration has used us as guinea pigs for its biological projects."

He added that the "malumbia" insect was detected in 1985 by the Bolivian peasants, who called it "ulo."

Villca added that the "ulo" destroyed part of the coca crops in the Yungas zone of La Paz, forcing the peasants to use strong insecticides. He added that "the United States has apparently enlarged its experiment."

According to government sources, the Bolivian Government has categorically rejected the use of "biological weapons" in the coca crops because they could unleash

unforeseen reactions by the peasants and harmful effects on the ecology and on people's health.

Chile

Pinochet's Agenda for 11 March Released

PY2302024590 Santiago Radio Cooperativa Network in Spanish 2200 GMT 22 Feb 90

[Passages within quotation marks are recorded]

[Text] [Announcer] President Augusto Pinochet will visit Patricio Aylwin after the presidential inauguration on 11 March. Prior to that, President Pinochet will attend a thanksgiving mass at the Santiago military school. Minister Secretary General of Government Colonel Cristian Labbe has released a comprehensive agenda of the activities that President Pinochet will undertake on 11 March:

[Labbe] "The president will leave his house at 1015 [1315 GMT] and will proceed to the military school, where he will attend a thanksgiving mass by Msgr Matte and chaplain [Name indistinct].

At 1130, His Excellency the president will take a helicopter to the Navy school at Valparaiso. The president will then head for the office of the intendant of the 5th Region. From here, His Excellency the president will head a motorcade to 11 de Septiembre Plaza and then, in an open car and with presidential honors, to the Congress building."

[Announcer] Pinochet will enter the Congress building in Valparaiso at 1255, after receiving presidential honors.

[Labbe] "The ministers will wait for His Excellency the president at the Congress building main door and will accompany him to the inauguration.

After the transfer of power, the president, in his capacity as Army commander in chief, will receive the appropriate honors from the military unit at the door of Congress. The unit will play the 'Old Banners' march. [Words indistinct] honors will be paid to him, but he will not review the troops."

[Announcer] Labbe said President Pinochet will then take a car to his next activity, a visit to Patricio Aylwin in Cerro Castillo.

[Labbe] "After the inauguration ceremony, the president will lunch with his former ministers and under secretaries. This luncheon will be held at the Quillota cavalry school. After this luncheon, His Excellency the president, in this case the Army commander in chief, will return to Santiago."

[Announcer] The luncheon in Quillota will also be attended by the wives of the ministers and under secretaries, and president Pinochet's closest aides.

Future Foreign Minister on USSR Relations

PY2202133890 Santiago EL MERCURIO in Spanish 10 Feb 90 p C-2

[Text] Future Foreign Minister Enrique Silva Cimma has characterized the Supreme Soviet decision to resume diplomatic relations with the future government as "positive."

Silva Cimma said that the situation is fully in accordance with the coalition program that seeks to strengthen relations with East European countries.

Asked if the Supreme Soviet decision to accept a multiparty system in the USSR will facilitate relations between the two nations, Silva Cimma said the future government wishes to maintain relations with every country in the world and that the Soviet decision is a very important step forward in this context.

Silva Cimma said he had personally instructed the foreign relations secretaries to establish contacts with Soviet authorities, adding that the job will be concluded by the end of February.

Regarding the specific case of Cuba, Silva Cimma reiterated that the issue is on hold because there is no urgency in the matter and we will have time to carefully analyze it later.

However, Silva Cimma said his administration is studying the possibility of establishing consular relations with Cuba to assist the large number of Chilean citizens living in that country. Silva Cimma said the exchange will be very useful but added that the political decision to resume full diplomatic relations cannot be anticipated.

The future foreign minister said that in the last few days 14 countries have confirmed they will attend Aylwin's inauguration.

Among the authorities who have confirmed their attendance are: the Belgian prime minister; the foreign ministers of Belgium, France, Great Britain, and the Netherlands; Portuguese President Mario Soares; Spanish Prime Minister Felipe Gonzalez; and Italian Prime Minister Giulio Andreotti. The majority of Latin American presidents are also expected to attend.

It was also announced that during this week the future foreign minister met with some foreign ambassadors to hand them a memorandum asking for their support in ending the mission of the special UN observer on human rights in Chile.

In the document Silva Cimma says that the work of the observer is no longer necessary following the victory of the democratic forces on 14 December.

PDC, PCCh Leaders Hold 'Historic' Meeting

PY2202174690 Santiago LA TERCERA DE LA HORA in Spanish 15 Feb 90 p 10

[Quotation marks as published]

[Text] Following a meeting between the leaderships of the PCCh [Communist Party of Chile] and the Christian Democratic Party [PDC], PCCh Secretary General Volodia Teitelboim said yesterday that this is a historic moment since it is the first meeting of its kind in 16 years. He added that the PCCh hopes the next government "will be immensely successful."

Teitelboim denied that the PCCh was responsible for the recent land occupations. He added: "Forces other than those from rightist sectors are behind these activities."

Teitelboim described as unkind the recent remarks made by Interior Minister-designate Enrique Krauss, who stated that the PCCh will not be invited to attend the presidential inauguration ceremony.

Present at the PDC headquarters meeting were PCCh leaders Manuel Cantero, Jorge Insunza, and Jose Sanfuentes; and PDC leaders Andres Zaldivar, PDC Vice President Edgardo Riveros and PDC Secretary General Gutenberg Martinez.

Volodia Teitelboim added: "We are greatly interested in the success of Patricio Aylwin's administration. He can count on the PCCh which, from a constructive independent position, will make every possible effort to restore democracy in Chile.

Teitelboim added that "there will be a fluid, normal, official, public, and open relationship between the PDC and the PCCh. The PDC and the PCCh will hold periodic meetings to discuss important national issues and to contribute to the normal development of the Aylwin administration. This will be a normal relationship as in old times.

Andres Zaldivar said that Chile must get used to the fact that "in a democracy all political parties and organizations must be in constant contact and hold meetings."

He added: "We want permanent contact while respecting our different points of view and being aware that the PCCh is not a member of the government alliance. We must respect each other. I have also made a very important request to the PCCh, as I have requested all political forces and all Chileans: to make a real and decided commitment to cooperate in the building of a Chilean democracy.

Humanist, Green Parties Agree To Merge

PY2202141090 Santiago EL MERCURIO in Spanish 12 Feb p C-3

[Summary] After holding several meetings, the Humanist and the Green Parties have decided to merge. Humanist Party Vice President Tomas Hirsch has reported that "at the end of February, the two parties will hold regional plebiscites to confirm the merger and we will then begin to draft our new statutes in March."

Green Party Vice President Ana l'Homme said that the merging of the two parties "will give a definitive form to the new Chilean left."

Law Dissolves National Intelligence Center

PY2202203490 Santiago Radio Chilena Network in Spanish 1600 GMT 22 Feb 90

[Text] The law dissolving the CNI [National Intelligence Center] was published today in the OFFICIAL GAZETTE. Law No. 18943, issued by the War Undersecretariat, establishes that the CNI's assets and resources will be transferred either to the state or to the Army. The CNI's legal representation will be assumed by the State Defense Council.

According to the law, CNI staff and contract personnel who are transferred to the Army will maintain their service seniority for retirement purposes. Those CNI employees who are not transferred to the Army will receive a compensation for dismissal. The reassigments will be made through decrees once the law dissolving the CNI becomes effective.

Several changes to Law No. 18314, which defines terrorist crimes and establishes punishments for them, are effective today. This was established by Law No. 19937 which was published in the OFFICIAL GAZETTE today. Paragraph 3, Article 1, Law No. 18314, which refers to those who perpetrate terrorist actions and to the use of certain weapons in these crimes, has been annulled.

Law No. 19937 establishes that Article 2 will be replaced. The new article states that those who commit terrorist crimes will be punished with sentences ranging from minor to maximum prison sentences. The article adds that if other people are injured as a consequence of terrorist crimes, those who commit the crime will receive a maximum prison sentence, and if a person dies as a result of the crime, the punishment may range from a maximum prison sentence to the death sentence. The new article adds that if other people are injured or killed in kidnappings, the punishment for the criminals will range from a life term in prison to the death sentence. If the criminal voluntarily releases his victim before harming him, the judge can reduce the penalty by (?one or two) degrees.

Paragraphs 7, 8, 12, 13, 14, and 16 of Law No. 18314 have also been annulled. All these articles referred to damage to communications facilities such as bridges, dams, etc. They also referred to those criminals who were trained either in Chile or abroad to manufacture bombs and explosives to attack third parties and public and private property.

Paragraph 16 of Law No. 18314 referred to those who maliciously provoke panic among the population by falsely threatening terrorist actions.

The new law includes a temporary article which establishes that the trials under way for crimes described in the annulled paragraphs, will continue their normal process in the pertinent court.

Argentina Allows Ladeco Flights to Buenos Aires

PY2202192090 Madrid EFE in Spanish 0647 GMT 22 Feb 90

[Text] Santiago, 21 Feb (EFE)—Chilean Foreign Minister Hernan Felipe Errazuriz announced today that the Argentine Foreign Ministry authorized the private Chilean airline Ladeco [Linea Aerea del Cobre] to make four weekly flights to Buenos Aires beginning tomorrow.

Errazuriz added that the Argentine government's decision "reflects the good spirit prevailing between the two countries facilitating the integration we all want for the benefit of the two nations."

On 10 January 1990, delegations from the two countries signed an "open sky" agreement allowing Argentine and Chilean airlines to operate between the two countries.

However, the Argentine government unilaterally suspended the implementation of that agreement, not allowing Ladeco to fly to Buenos Aires.

[Passage indistinct] air routes to Argentina, the decisions made by the Argentine authorities must be respected."

The Chilean airlines had planned to extend their flight routes to other Argentine cities, in addition to Buenos Aires, but have not yet been authorized.

* Economy, Finance Ministers-Designate Profiled

90ET0092A Santiago EL MERCURIO in Spanish 14 Jan 90 pp 1b, 2b

[Article by Claudia Godoy L.: "The New Economy Directors"]

[Text] New faces? No, not that new. For months their names had been on the lips of CPPD [Coalition of Parties for Democracy] politicians, of the government, and of the citizenry at large.

Foxley, Alejandro, Christian Democrat. Ominami, Carlos, Socialist.

The mission of these two economists will be to continue? reorient? fix? the policies that are of so much concern to Chileans and that directly affect their pocketbooks. Yes, economic policy.

The two men will work side by side in this somewhat complicated area. Many do not know how they will get along, yet others are sure that they will be successful. Quite a few people have even indicated that it is very difficult to ascertain what the new economy and finance ministers will do, inasmuch as their ideas "have changed; they are not the same as 2 years ago."

Apparently, however, there is calm in the air. People were neither surprised nor worried by their appointment. Prudence, not one word too many and not one word too few, has been a feature of the statements that the two men have made since it was learned that they would definitely serve as cabinet ministers.

Who are they? What do they think? What are their ideas? One thing is clear: They are both convinced that our economy must place greater emphasis on social aspects, by changing several laws and trying to solve the problems of the less well-off.

So then. We have not interviewed them. Many already have. But a summary is needed, so that on one page, perhaps two, we can have an overview of their theories, their hopes for Chile's future, their proposals, in short, what they will do behind their desks in the Economy and Finance ministries.

Ominami's Vision

It can be somewhat complicated to write about Carlos Ominami. He has not appeared in public all that regularly. People began to recognize his name when the Economy Ministry needed someone to head it, and this somewhat restless 39-year-old commercial engineer and vice president of the PPD [Party for Democracy] turned out to be a fine teammate of Alejandro Foxley's.

He also traveled to Europe with Patricio Aylwin, advising him at his meetings with several statesmen. Although he belongs to the Socialist Party (described, however, as a renewal socialist), as an economist he has ideas that some time ago would not have squared with his politics, inasmuch as he does not disagree that much with the current economic model, when he discusses it, in the sense of having an open economy in which the market and the private sector play a major role.

He is an admirer of Salvador Allende, whom he regards as a major figure in Chilean history and for whom he would have been willing to make great sacrifices.

He also thinks that our country has the conditions that are needed to make political democracy compatible with economic efficiency, all of this "above and beyond the social and external difficulties that the future government will have to confront."

And stepping into the issue of the difficulties and problems that the future political regime will have on its hands, Carlos Ominami spells out his ideas exactly.

Government's Role

When we speak of a socialist, even a renewal socialist, a typical question is what he thinks of government, what its place ought to be, and what role it should play. As far

as this PhD in economics is concerned, the often controversial State must demand and have a strong presence, a major role, such as in health care or education, though he makes it clear that the market also comes into play.

When the talk turns to the issue of privatization and the relationship between the government and business, Ominami says that the relationship "will be one of great respect. The program calls for a development strategy in which the private sector has broad leeway to operate. We think that we can develop relations in the country in which we can do away with this absurd, semireligious battle between what is public and what is private and in which we can work together with both sectors towards national development."

The role of private individuals is of great significance to Carlos Ominami. He acknowledges the changes that have come about in society, indicating that they must be analyzed and conclusions drawn. "I think that it is very important to assess the contributions of business very carefully and for us to acknowledge that the private sector is called upon to play a fundamental role in the country's productive development."

He does, however, assert that the policy of "grassroots capitalism" has very little of the grassroots about it and that ownership has to be stabilized in Chile, inasmuch as "transferring assets from one sector to another is bad for the performance of the economy."

Extreme Poverty

The five-million poor figure into the 39-year-old economist's thinking, as he asserts that the "social cost" is a quite burdensome legacy that Patricio Aylwin's administration will be receiving.

To tackle this problem, "raising the minimum wage, pensions, the family allotments, and more social efforts so that the entire family and children especially benefit from expanded complementary-food and school-lunch programs" will be ways of helping out so that family income is "compatible with a democratic system," inasmuch as "we feel that it is very hard to live on a minimum wage of 28,000 pesos."

Taxes

The issue of taxes has been linked to the name of this author of seven books. When the cabinet was named last Tuesday, the following proposal was part of the statements that the future economy minister made. "We have talked about modifying three taxes. One is the first-level tax, which would rise to 15 or 20 percent. We also have to adjust the personal income tax, while keeping the minimum and maximum rates, and we are looking into eliminating presumptive income, with the exception of small farmers and truckers."

These changes will be made, as we already know, to finance higher social spending, "and since we are concerned about keeping the Chilean economy stable, with a low inflation rate, we think that we have a responsibility to see to it that this higher social spending is financed, and this is the only way to do it without causing fiscal imbalances and without thwarting growth," Ominami says.

He also asserts that people should not be afraid, because "we are offering a proposal under which any Chilean who makes less than 100,000 pesos a month won't have to pay anything." As to higher-income earners, he indicates that "they are going to have to make an additional contribution, which is going to be reasonable, not an expropriation."

Carlos Ominami takes it for granted that people will understand this measure, inasmuch as "we have to reconcile budgetary financing needs to maintain a balanced economy with the legitimate interests of individuals."

Defense Budget

The national defense budget is a complex issue, inasmuch as it includes the salaries of military personnel, and the University of Chile economist realizes as much. He has indicated that "in economic terms the defense and domestic-security budget is too high for the potential of the Chilean economy."

About the people in uniform Ominami says forthrightly: "We think that it would be morally reasonable to ask the Armed Forces too, like other sectors, to make a contribution to the national development effort and to the financing of social policies."

Giving an estimate of how much this budget ought to be cut, he indicated that his estimate (the CPPD's) is that military spending today (July 1989) is equivalent to seven percent of output, and "this is a record for Latin America."

The young "minister" thinks that an agreement with the Armed Forces is needed to achieve a possible reduction. "I know that political problems are involved. Consequently, we have to talk this over directly with the interested parties."

Mining

Mining remains one of the major sectors of the Chilean economy. The PPD vice president thinks that confidence is fundamental in order for this sector to continue developing.

In the future minister's view, government has a specific role here. "The essential function of government is to spell out an overall policy for the sector, but not unilaterally. We have to seek out and expand the areas of consensus, the dialogues with the sectors that are directly involved."

As for copper, he felt that we have to try and develop ways of stabilizing the international price of copper and of encouraging all of the efforts needed in science and

technology aimed at developing new uses for copper and other mining products on which we could base a more comprehensive development of this industry.

Carlos Ominami has stated that with longer-term policies "the mining sector must be the mainstay of the export development of the Chilean economy, a very significant source of new investment opportunities, and a major generator of tax revenues."

The Workers

Unionization, strikes. What does Ominami say?

"From a theoretical standpoint, compulsory dues are not a good system. But the degree of unionization in the country is low, and I believe in a strong labor movement, which I would like to get to without having measures like compulsory dues." An attempt is being made to achieve this, the economist related.

As for strikes, "they must exist without restrictions," says the recently nominated economy minister, "because they are one of the tools that the workers have for negotiating with management." He does stress, however, that there are sectors in which an indefinite strike is damaging for the economy, "such as fruit growing and ports."

Foxley's Challenge

A civil engineer with a PhD in economics, Alejandro Foxley has become the new "chief" of the economic team. Fifty years of age and with two children, the former president of Cieplan [Center for Research on Economic Planning] was one of the first candidates that Patricio Aylwin's cabinet had. Perhaps this is why he has often been seen in front of television cameras in recent months. In the first forum broadcast over TV he sat next to Patricio Aylwin and explained his party's economic policies. He also accompanied the president-elect on the trip that he took to Europe and has been at La Moneda to work out the arrangements for transferring power from the current government this March.

Alejandro Foxley seems to be one of the pillars of the CPPD's future government. The calm with which he explains the most complicated issues is imparted to the citizenry. Moreover, he was not publicly involved when the Christian Democrats "threw pots and pans at each other" in choosing their presidential candidate early last year. He is a man who, when all is said and done, believes in consensus.

Social Policy

His ideas have been clear. As for the segment of the citizenry that has still not benefited from the economic policies, the future finance minister has indicated that social demands must be addressed without endangering the course of the economy.

He has thus wanted to make it clear that the next government will be effective if "the country's demands are reconciled with the available funding and with a consistent economic program."

The demands are great. There is no denying that. Even when power is transferred from a military to a democratic regime, it is highly likely that the policies of the new authorities will feel the pressure of the citizenry. The minister, whose sign is Gemini, realizes this very clearly, inasmuch as he has indicated that "in economic and social matters the big challenge for the next government is to strike a balance between change and stability."

Now then, as for dealing with potential pressures, Foxley mentioned that a very great social effort would be made, to be reflected in the budget that the government appropriates for this purpose. "Funding for education, health care, and housing will be increased. Minimum wages and pensions will be boosted. Projects to train young people and ease the working conditions of women will be developed. And the people in the shantytowns will have to be more involved in solving their own problems."

To all this he adds the Solidarity and Social Action Fund, which is designed to develop investment projects to help Chileans who are in the category of extreme poverty.

In a word, there is "an in-depth commitment" to improving living conditions. It has already been made clear, though, that those who are not in a critical situation will have to wait and "will have to tailor their demands to what a balanced economy can afford," in all cases with a pragmatic approach.

The word balance is a feature of Foxley's language. One example is his stand on minimum wages and pensions: "Boosting them must be discussed with labor leaders and with management. We don't want increases so sharp that they impede hiring."

Government Spending

Some sort of financing has to be found for all of these projects, about which no one is indifferent, as some feel that they are a mistaken economic policy, while others find them utopian, and the rest see them as hopeful promises.

The future minister, who received his doctorate in economics from the University of Wisconsin, has stated in this regard that the revenues generated by the Treasury must be used, without lapsing into excesses as neighboring countries have. "We will be very careful. The speed of social efforts will be determined by the ability to generate new revenues. We are not going to pay the price of high inflation to carry out the distribution."

So how will it be done then....

An answer has come on several occasions from the man who enjoys listening to classical music, especially Brahms, Beethoven, and Schubert. Tax reform seems to be one of the solutions, though it is not too well received by certain sectors.

On this issue, defending an idea that is commonplace by now in some countries, Foxley says: "When we speak of tax increases, we are talking about getting back to the tax levels that the country had in recent years. They are not going to harm investment...(one of the criticisms)...We're going to provide incentives in the tax structure for reinvesting profits."

The idea is to undo what has been done so far, the next finance minister asserts, adding that stability in a series of fundamental areas, such as ownership, is going to be guaranteed. He has also spoken of going back to a profits tax "more like the one there was before the tax reforms, but preserving incentives for profit reinvestment."

As for the VAT [value added tax], he has indicated that no decision has been made yet, except that they want to keep taxes at their current level and that the condition in which the Treasury is handed over will have to be taken into account.

All in all, he describes the taxes that are such a concern as a "prudent" reform "that should not upset anyone," adding that "introducing more solidarity into the economy must be accepted as essential."

Foreign Debt

The word solidarity is hard to use in the case of the foreign debt. This is something that all of the Latin American countries swamped by interest- and principal-payments realize very clearly.

Our country will very soon have to pay out a large amount for this purpose, and this already worries the minister-designate, who is an avid reader of biographies, since rescheduling is one of his jobs.

As Foxley said last July, Chile will submit its list of projects to multilateral agencies. "The flow of credit from these agencies will have to increase substantially in order to maintain the balance of payments situation."

As for rescheduling, he hopes that it comes under the Brady Plan. "We are going to seek an arrangement under which the debt to the banks is valued more at market prices than in nominal amounts. And we also hope that the old debt can be rescheduled into a new, longer-term debt."

Foreign Investment

Another issue that was mentioned as dangerous to lose sight of, before the plebiscite and then before the election, was foreign investment. The man who until recently was president of Cieplan indicated in this regard that the ground rules need to be kept stable, inasmuch as "the country needs investment badly in the coming years. This is why we have said that we are not going to make changes in Decree-Law 600." He noted that this was not discrimination against domestic investors.

The same fate does not seem to be in store for the famous Chapter 19, which Alejandro Foxley describes as more controversial. He says that "changes are being looked into so that it serves the national interest better."

Tariffs are another issue. His response to this economic question mark was: keep them low. "If I had to choose today, I would leave the tariff level as is" (July 1989). He would add the characteristic "flat."

Essentially, the CPPD's policy is to attract foreign investment, which "must play a preponderant role."

Privatizations

The announced review of privatizations also plays a major role. According to the platform of the next government, they will be maintained depending on when they were carried out: either before or after 5 October. As for the latter, "we will examine only the ones that exhibit manifest irregularities."

An investigating commission will be appointed for this purpose. "The problem is the lack of transparency. We could well be talking about Enap [National Petroleum Enterprise], LAN-Chile, the Emos firm, and Entel [National Telecommunications Enterprise]."

As for future privatizations, he said that "there is nothing left to privatize. We aren't in favor of doing it with Codelco [Cooper Corporation], Enap, and Enami [National Mining Enterprise]."

The issue of expropriations falls into this subcategory. Foxley says in this regard that there will not be a governmental policy: "Stability has to be provided first in ownership and then in the rules of the game. This is so that people can calmly plan their future and new investments."

Social Security and ISAPRES

As for the future, social security and the health care system, the ticklish ISAPRES [expansion unknown], are always on the agenda.

As for the former, Alejandro Foxley indicated that "we will keep the AFP's [Pension Fund Administration Boards], but we want a social security system marked by greater solidarity and participation. While maintaining their individual accounts, the workers ought to sit on the administration boards, and it should be easier for any group to form them. We have to expand the system's coverage."

As for the latter, honing the system is a priority of the future government. "There can be no discrimination against the high-risk population. The contracts cannot be for a year, nor can ISAPRE be allowed to decide on its own whether to accept or oust an individual."

Labor Plan

As for the relations between management and the workers, the words negotiation and compromise are the

order of the day. And the Labor Ministry is not the only one with an opinion to express; the Finance Ministry also enters the picture.

Dismissals are one of the problems in this area. The point is not to have job tenure but rather "that grounds should be given for dismissal, with unlimited severance pay." There will be no set period for strikes, although "the minister" hopes that he can bolster the mechanisms for mediation and arbitration to prevent strikes and that "people will not just drop out at the end of 30 days because they want to negotiate on their own." There was also talk of not hiring personnel during strikes.

Bargaining will be kept on a company-by-company basis, and it will not be mandatory by area. And there will be sectors that cannot stage work stoppages, such as public utilities, the ports, or temporary farm work.

In short, a transformation of the Labor Plan is under study.

The Terrible UF

Lastly, the housing problem and, above all, the UF [a unit of accounting adjusted for inflation] could not be left out of this rundown of Foxley's thinking. He wants to avoid simplistic solutions, which just create problems in the future. "The point here, for example, is that someone who is going to buy a house should be able to choose whether the adjustment mechanism is based on wages or the consumer price index."

In conclusion, Foxley says that the UF cannot be abolished. "There can be no huge debt forgiveness. In an economy with inflation savers must be protected. This is why there has to be an adjustment mechanism that takes into account what a person can afford to pay."

* Future of New Opposition Viewed

* Changing Alliances Detailed

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[Feature by Pilar Molina Armas: "The Center Right: The New Opposition"]

[Text] This week what had been increasingly obvious became crystal clear: The center right will not form an alliance in Congress to continue with the electoral pact signed by National Renewal [RN] and the Independent Democratic Union [UDI]. RN made the decision. It really does not think such an alliance is necessary because the center right received so many legislative votes, nearly 42 percent of the total, more than it has gotten in any election since the 1940s. This means that the two main parties in this part of the political spectrum intend to act independently, while complementing each other at the same time.

RN, the second-largest national party in electoral terms, has recently defined its strategy for attaining the presidency in 1993. The UDI, on the other hand, is pursuing the new policy of doing away with its image as an extreme right party, in accordance with the results of the recent elections. Nor do its legislators wish to be left out of future understandings that may be reached in Congress; they want to be recognized by the CPPD [Coalition of Parties for Democracy] as well as by RN. Just like RN, they want to hold the "key to the transition." "Our two senators," they told us by way of example, "are enough to give the CPPD a majority in electing the president of the Senate."

One indication of this change in attitude was the statement by the brand-new secretary general of the UDI, Joaquin Lavin, regarding Aylwin's first cabinet that was announced this week. Unexpectedly, instead of criticizing the Socialist presence in key posts, which smacked of a quota system, as the RN leaders claimed, Lavin pointed out that the appointees were all appropriate. He said he would prefer not to prejudge them, and would wait to see them in action.

Better than Ever

Despite Buchi's defeat, the right is optimistic about the results of the legislative elections. The votes for this part of the political spectrum, which before the authoritarian period never exceeded 24 percent of the total, surged to more than 41 percent in the 14 December elections, taking into account the votes for all the parties that could be linked to the right. The total votes for just the RN-UDI pact amounted to 34.2 percent.

The greatest optimism can be found in RN, which garnered 18 percent of the total vote. Twenty-four percent of the deputies and 30.5 percent of the senators are RN representatives. In other words, RN has 12 senators, including the 7 out of 9 senators elected under the Democracy and Progress Pact as independents in a pact, who later joined or are about to join RN (like Sergio Diez).

"We are in an incredible position in Congress," summed up Andres Allamand, secretary of the party. "We won a real triumph in the north, which has traditionally gone to the left. Our slate won nearly 5 percent more votes than Buchi did there," he added.

Aside from that, he went on, the most important thing is that "today our adversaries beat us, but the ideas in the ideological world are not moving in the same direction as they are; they are moving in our direction. The battle has moved to our field. We won the ideological battle, which can be seen clearly in the pragmatism that has suddenly overtaken Chilean politics. This is merely a recognition of the ideological failure of the left, and to a lesser extent of the DC [Christian Democrats], and of the fact that the social market economy and private initiative are the best tool for development and the promotion of equality."

Allamand borrowed a phrase from the Communists, pointing out that in fact "RN holds the key to the transition." No major legal initiative can be adopted without the consent of RN legislators he claimed. He explained that the opposition does not have enough of a majority to override a vote with two-thirds if the Senate should vote down a Chamber of Deputies bill. "In that situation, they would need us in both houses," the leader indicated.

If the 9 designated senators are added to the 16 Democracy and Progress senators, the new opposition bloc would have an advantage of 3 over the 22 CPPD senators. The CPPD coalition, knowing that it would have to convince two of those senators in order to obtain a majority, would be working on the designated senators. Hence Edgardo Boeninger's proposal that these senators abstain when the vote is clearly political. But RN does not accept that position. The agreement to hold a plebiscite on constitutional reforms, RN officials explained, was that this institution would be temporary, but as long as it exists...it will function. It was for this reason that RN reacted so negatively to the bombshell opposing the "bionic senators," as they were dubbed, in which the DC seemed to have forgotten its commitment.

The message to the incoming government from the second most important party is clear: "If they want legislative work to run smoothly, they will have to reach an understanding with us. And we are amenable to it."

New UDI Strategy

But the UDI also wants its voice to be heard. And it thinks it is in a good position to make its feelings known. The UDI is proud of its two senators (who defeated Socialist leaders Lagos and Maira) and its 11 deputies. The vote it won made it the fourth-largest party in the nation, the third-largest in the Metropolitan Leader—ahead of RN, according to its leaders—and the second-largest after the DC in the low-income districts.

UDI leaders point with pride to their successful strategy of orienting their 30 deputy candidates toward the middle- and low-income sectors. And they feel that the party's extreme-right image is a caricature that must be eliminated in light of the election results. They did not get a deputy seat in Las Condes or in Providencia, but in Talcahuano, traditionally difficult for the right, they got a senator and a deputy. And they claim they won landslides in the low-income sectors of the Metropolitan Region, such as San Joaquin, La Granja, Pudahuel, San Bernardo, and Recoleta. On the other hand, they declined to run candidates in "safe" districts such as Region IX (the only place where the Yes vote won in October 1988) and Region X, with the second-highest vote for Yes in that plebiscite.

It was for this reason that the UDI set itself the goal of being in the forefront of a new political experience for Chile: ensuring the formation of a strong center-right party in the middle- and low-income sectors.

Neither Merger nor Confrontation

To be sure, the relationship between RN and the UDI is one not of mutual affection but of mutual dislike. They have the same attitude as always, the attitude they had during their courtship under the National Union and UDI, which led them to marry as RN, separate afterwards, and then get back together again just for the elections. In the turf battle for the center, the UDI points to its large vote among low-income sectors, versus RN's vote in Las Condes, Providencia, and districts that are safe for the center right.

The party headed by Sergio Onofre Jarpa accuses his critics of having exercised electoral power in city halls and in the media, "because the government, supporting the UDI candidates, was very important in Santiago and Concepcion." He also claimed that those candidates concealed their UDI membership in their campaign posters.

They fought tooth and nail during the campaign, and also afterwards, when Jaime Guzman stated that his victory in Southwest Santiago made him the leader of the center right. But they reached the finish line united. Nothing suggested, however, that the electoral pact would turn into a political alliance in Congress. Even Allamand himself and RN Vice President Miguel Otero declared on 13 December that the pact would end the following day, and that was that.

But the UDI proposed the alliance in late December, above all in view of the number of independents who participated in the campaign and expressed their desire for the center right to remain united. The very day the proposal was made, Jarpa responded that the General Council should make the decision. But it was the Political Committee that did so this week. Its answer was a resounding no. The offer, they confessed to us, struck them as more a maneuver than anything else, since it was done through the press without any preliminary discussions among the leaders. RN feels that it has too big a legislative delegation to have to ask UDI's permission to reform the Constitution, to act on the designated senators or the election of mayors.

Capturing the Center

But no one is looking for a confrontation. Nor are they looking for a merger. The goal is merely "independent and complementary roads, each party with its own profile," as Lavin said this week. RN is convinced that "we will be together on everything that involves defending the values of the center right in Congress. But we are working on something else: the democracy of agreements and capturing the center."

RN's theory is that the UDI will remain to the right of it, and that Jarpa's party will stake its position in the center as the DC shifts to the left. Allamand is certain that this hole will open up because the DC will not be able to grow to the right, as the moderate Socialists with whom it has

allied itself will demand the price of their support for Aylwin by insisting that the DC take leftist positions.

In fact, according to the electoral analysis of the Center for Public Studies [CEP], Aylwin has the most proportional support among the sectors that consider themselves to be in the center left (91 percent) and left (96 percent). Only 41 percent of those in the center, in contrast, voted for the next president. And since most Chileans consider themselves leftists (31.5 percent, according to CEP-Adimark), the conclusion is that Aylwin is a candidate basically sustained by the left in terms of votes.

Thus, the director of the CEP, Arturo Fontaine, concluded at the meeting held to analyze the opinion polls that the DC could extend its 4-year term of office if it became a moderate center-left party, in the Social Democratic style. But RN is prepared to prevent that, as a constructive opposition—"which will be easy because the ideas are here"—and by fighting for the political center. For this purpose, it was proposed at the meeting of RN legislators that a five-point strategy be implemented: participate actively in the country's democratization process; adopt as its own the social demands of the center; bring our political proposals to the population; reinforce traditional values (law and order and family values) which are very much alive in that sector; and finally, maintain the political initiative in its opposition role.

Battle for the Key

The UDI's strategy is not much different from RN's: like RN, it will fight for the center, act as a constructive opposition, battle the trade unions on the left, and remain open to the "democracy of agreements."

Participating in future accords is part of the legislative strategy that this party has been discussing this weekend at the Hotel San Francisco in its Expanded Council, with the elected members of Congress and the party leaders. Secretary General Joaquin Lavin told us, "We are open to participating in future agreements. And there is not just one key to achieving them, but two."

It is obvious that the two UDI senators could make all the difference between giving the future government the majority of 24 and leaving it to contend with the 23 comprised by RN and the designated senators, for the passage of legislation. No one knows, but in fact they confess that they are so open to future understandings that they do not rule out the possibility of their own party, not RN, reaching some with the future government. This is surprising, but not impossible, when one considers that with the end of the Pinochet government, this party will regain a freedom that it often mortgaged, at a high price, for the sake of a decision that its leaders regarded as a debt of loyalty. This is what happened, for example, in the case of the constitutional reforms, in which the UDI remained on the sidelines until the end so as not to restrict the regime's maneuvering room by constituting a single bloc opposite it.

The UDI leaders admit that they have clear positions on the issues that will probably be on the agenda in Congress: the amnesty law, the electoral system or the election of mayors, among others. But they claim to be willing to compromise. "The defense of fundamental principles does not preclude a broad range of agreements," stated the secretary general of the party, Joaquin Lavin.

But RN will brook no competition when it comes to the keys: "It is our votes, not the UDI's, that are important in Congress, because our party members will not allow the CPPD to push forward its reforms of organic laws or the constitutional reforms, which require four-sevenths and three-fifths of Congress, respectively."

Beyond this power struggle, the leaders of the two parties are certain that the differences in style will not prevent them from running together in the next elections, and that there will be ample points of agreement. On the amnesty law, for example, it is possible that they will be able to collaborate on a legal formula that will leave the law on solid ground, but that will satisfy the new regime with an important exception.

But RN is also expecting differences that will exclude the UDI from the agreements it reaches with the CPPD on matters such as the designated senators, an institution that they plan to eliminate within 4 years. "Jaime Guzman," they declared, "will obviously defend them tooth and nail." The same will be true, they believe, when the matter of changing the presidential system to a semi-presidential or congressional system is placed on the agenda at the end of the session. The Allamand sectors and Lagos and Zaldivar agree on this issue, as was stated in a weekly publication. "It will be difficult for Guzman to be flexible on this when he has been a staunch supporter of the strengthened presidency provided in the Constitution."

Presidencies Still Undecided

The presidency of the Senate is still up in the air at this point. The UDI, with its two senators who can give the majority to the CPPD or to the opposition bloc, appears not to have ruled out reaching an understanding with the DC before RN...which would mean that Jarpa would not get the job.

In RN, meanwhile, where they once again think they hold the key, the matter will be dealt with this week. Miguel Otero has no doubt that the party is most entitled to have Jarpa in the presidency. And in fact, RN is expecting the DC not to veto him in exchange for a quick start on the legal reforms.

Jarpa, ever the shrewd one, declared that it would be necessary to study the wisdom of making him president, because the post would neutralize him and his legislators in the internal political battles of the Chamber. But within his party, officials believe that he would like the

job, because in fact "he would be removed from the petty squabbling but would have a major voice in the larger disputes."

There is less uncertainty about who will be president of the Chamber of Deputies. The members will probably agree to elect Gutenberg Martinez, secretary of the DC and Aylwin's man, since that party has nearly 32 percent of the seats.

Restructuring and Leaders

This week was one of internal changes. The UDI brought Joaquin Lavin's vitality to bear in launching its new strategy by making him secretary general. A few days earlier the RN Political Committee also made some changes. It replaced William Thayer (a designated senator) and Gaston Cummins (who never fully took office) with Sergio Romero and Alberto Espina as vice presidents. The names did not come up as a result of the allocation of quotas to the Jarpa and Allamand camps, as rumor had it, but rather as a result of the desire to have a senator and a deputy so that the party would be better coordinated with the two chambers.

And after this decision to reinforce the parliamentary effort in this manner, the legislators-elect themselves named Romero, along with Sebastian Pinera, to lead the Senate delegation and Espina, along with Evelyn Matthei and Federico Mekis, to lead the Chamber of Deputies delegation.

Changes were made on the Political Committee as well. Cummins and Alfonso Orueta were appointed to it as a reward for their campaigning and to strengthen the party in Region VI, where no senator of the Democracy and Progress Pact was elected. In addition, two candidates who ran as independents in a pact but who joined the party after being elected, Julio Lagos and Sebastian Pinera, were also appointed to this committee. In the first case, the goal was to emphasize the importance of the north, and in the second case, Pinera wields considerable influence as a senator for Santiago, sitting on more than 300,000 votes.

Both Pinera and Guzman have emerged as leaders of the opposition in Congress on economic and social matters as well as political and institutional ones. Jarpa's voice, as always, will be heard loud and clear. And it will be reinforced by his position as president of the party, a job he does not appear very willing to give up. If there is any change in the leadership, at any rate, there is a consensus that it will not take place until the next General Council in July, in order to avoid the wear and tear of infighting.

Because the way things are going, there will indeed be an internal struggle over the presidency of RN. It had been a foregone conclusion that Secretary General Allamand would succeed Jarpa. But followers of Miguel Otero think that he deserves that honor, considering that he waged a heroic battle to win a senate seat for the Democracy and Progress Pact in Southwest Santiago, a seat that was written off as a sure loser but that was won with nearly 200,000 votes.

While Allamand remains silent on this matter, Otero denies that he has a personal campaign. Working only half-time for the party now, given his commitment to his constituents, he contends that what he is most interested in is serving the party, which he will do in any capacity. He claims that he does not want to stir up internal conflicts by challenging appointments when there are no true ideological differences. The first vice president of the party says, "I am not waging a campaign, and I will respect the decision of the General Council. No matter what it is, I will continue working in the party. Now, my personal opinion is that Jarpa should remain at the helm of the party, and that he is also the best choice for president of the Senate."

The center right, as opposition, is preparing to act constructively and efficiently in response to the Aylwin government. A key to this effort will be the research centers that will begin operating in March for the purpose of reinforcing the congressional effort. One research center belongs to RN, another to the UDI, and a third to former presidential candidate Hernan Buchi.

The three centers, although in different ways, will penetrate the territory that until now the right had left in the hands of the Center for Public Studies, lacking any alternative. The CEP, in turn, has also devised a new strategy for the coming era, because times are changing, and now it is the researchers in the dozens of academic centers that formed the opposition over the past 16 years who are taking the reins in the Aylwin government to put their research into practice.

Legislative Support

The objective of the RN and UDI think tanks is similar: to give advice and support the efforts of their legislators on legislative matters; to train their leaders; to exchange information and carry out activities in conjunction with similar foundations of parties in other countries; and to issue periodical publications.

In addition, the RN research center wants to become a documentation center—to take the "you pointed out" aspects out of the debates—and to conduct public opinion surveys to prepare election campaigns and select the best candidates. This center, with headquarters in three regions during an initial phase, will be coordinated by Senator Sergio Romero and Deputies Alberto Espina, Evelyn Matthei, and Federico Mekis. And it will start out with a full-time staff made up of 15 technical consultants from a wide variety of fields.

The UDI intends to incorporate into its research center independents who want to collaborate—former Minister Guillermo Arthur is mentioned in this connection—without this becoming an excuse not to join the political parties. For this reason, its organization will be run by an independent, civil engineer and economist Jorge Claro,

and by two party members, Favio Valdes and economist Viviana Aput, who will be its secretary general. The initial staff will consist of three full-time researchers working at party headquarters on Calle Suecia.

Odeplan of the Opposition

Through an institute that will have names linked to the ideas of freedom and development, presidential candidate Hernan Buchi will fulfill his promise not to withdraw from public activity and to continue defending his ideas in favor of a free society, in both the political and economic senses. His center will not only provide consultation to the Democracy and Progress legislators in their legislative functions, but will also try to become the Odeplan [National Planning Office] of the future opposition, gathering all the information that exists in the various spheres of public interest.

For this purpose, explains Cristian Larroulet, who is now working with the former minister on organizing the center, "we will have a permanent staff of researchers, consisting of five or six professionals in the economic, social, and legal fields. They will coordinate commissions in specific areas, to be composed of specialists and the officials who were responsible for the modernizations that have been made in the country over the last few years."

Buchi himself will be one of the full-time researchers, as will Larroulet and Luis Larrain, current director of Odeplan. The names are promising, as the presidential candidate has even interrupted his vacation, which ends in February, to make the contacts personally. Even the names of the members of the superior council that will direct the operations of the institute are noteworthy.

The initiative is being financed with private contributions, and the center will be installed in its headquarters within 2 weeks. Meanwhile, "one of our researchers is in the United States studying the experience of this type of center, how they function and how they relate to Congress," says economist Larroulet.

Taking Aim at the Government

Also gearing up for this 4-year term is the academic center that Eleodoro Matte presides over, with Sergio Baeza as vice president. The CEP's objective will be the same as it has been in these past years: to provide intellectual legitimacy for the ideas of democracy and the social market economy in the eyes of the political world and the leading sectors of society so that they will feel justified in appropriating these ideas. This has already occurred on innumerable occasions with studies by this entity that have triggered initiatives by the government (such as the lowering of the value-added tax and the implementation of Chapter 19) and by parties such as the PPD [Party for Democracy], which borrowed proposals regarding the ISAPRES [expansion unknown], for example.

The idea now is to aim the research at the technocrats of the new government, who will be the ones to send prepared bills to Congress for debate.

The CEP, in its new role, has a larger budget and has hired new talent from major business firms, economic or financial groups to join its staff of "contributing consultants." Among them are Sergio de Castro, Jorge Bunster, Gonzalo Menendez, Juan Obach, Jorge Cauas, Hernan Cubillos, and Wolf von Appen.

The greater financial resources will translate into greater productivity, because for the first time the CEP will have full-time researchers who will coordinate the various commissions that will undertake to study ideas for legislation in the different areas.

Late this month and early in March, the CEP will conclude the work of the seven commissions that were in operation last year, with proposals for legislation in the areas of health, labor, and the judicial system. One of the members of the health commission was Dr Jorge Jimenez, incoming minister of health.

The RN and UDI institutes will become the specialized mediators between this academic entity and the politicians.

* UDI Senator-Elect's Views

90ET0093B Santiago LA NACION in Spanish 2 Jan 90 pp 8-9

[Interview with UDI Senator-elect Jaime Guzman Errazuriz: "I Feel Confident That I Have Been Elected By A Fair System"; date and place not given; first 10 paragraphs are introduction]

[Text] It turned out to be the great surprise of the recent elections; the members of the UDI [Independent Democratic Union] and those of the other sectors never imagined that CPPD [Coalition of Parties for Democracy] senatorial candidate Ricardo Lagos would be defeated. But it is a fact: Jaime Guzman Errazuriz, former president of the UDI, is now a senator-elect, with 224,302 voters having expressed a preference for him. These votes, added to those that went to Miguel Otero, make a total of 423,905 votes for Democracy and Progress.

In his opinion, the votes cast for him and for all the members of the UDI that were elected to Congress make this party one of the big four in the country's political life.

He feels that his success is due to the serious work carried out by his party in the low-income sectors and to the spiritual and moral accent it gave to its messages. "I have the peace of mind that comes with having been elected in a system that is completely representative and fair," he says.

He thinks that Ricardo Lagos' defeat made a serious dent in his political leadership, and that this means a great

achievement for the Government of the Armed Forces, since it goes hand in hand with a change in the mentality and attitudes that prevailed among the citizenry before 1973.

Referring to the kind of opposition that they will be for the next government, he explains that they do not seek the failure of the Aylwin government "for the selfish purpose of replacing it in 4 years," and that in addition to criticizing they will also provide suggestions and alternatives.

Although he expresses the hope that RN [National Renewal] will agree to enter into a political alliance with the UDI, if such an alliance does not come to pass, they will devise their future strategy independently, and public opinion will ultimately judge which party had the strongest spirit of unity.

He also feels that his party could indeed play an important role in civilian-military relations under the Aylwin government, conveying to each side its familiarity with the other.

In Guzman's view, all important pending legislation should be submitted to the various political sectors for their opinions. "But this does not mean that the Government Junta should accept any limitations on its power to legislate between now and next 10 March."

As a senator, he would change in every way the power the president of the Republic has to grant private pardons at his own discretion. He feels that this limitation would be very useful for a president who wants to make moderate and prudent use of the pardon.

He stated that the incipient party that Francisco Javier Errazuriz is promoting will operate in the style of a "populist and anachronistic caudillo movement," and that "in a mature country such as Chile, it should be only a passing phenomenon."

Moral Accent

[LA NACION] To what do you attribute the votes you garnered in the seventh District?

[Guzman] I think they were the fruit of a long and serious effort by the UDI in the low-income sectors of the Metropolitan Region. In addition, we made a very harmonious team with Miguel Otero, which favored the success of the slate. As for me personally, I think that those who supported me felt that the message I brought to the electorate accurately interpreted their thoughts. That message and the solutions I proposed for economic problems always placed the accent on the moral and the spiritual. Contrary to what some people think, even in the poorest sectors, this message is well received because it is the only thing that really accepts the full dignity of the human being.

[LA NACION] You stated in a previous interview that in exercising suffrage, there was something more emotional than rational going on in the electorate. In the case of those who voted for you, which of these aspects do you think predominated?

[Guzman] In popular suffrage there is always a strong emotional ingredient. Candidates need to establish an affectionate relationship with the citizenry if they want to be successful. Nevertheless, it is necessary to strengthen as much as possible the analytical judgment of those who go to the polls. I think that both elements combined in a very enriching manner in my victory.

[LA NACION] Leaving aside the electoral law, how do you feel about taking your seat as a senator when you received fewer votes than Ricardo Lagos did, and he is not a senator?

[Guzman] The representativeness of my election lies in the simple but categorical reality that the sum of my votes and Miguel Otero's yielded a much higher result than the sum of Ricardo Lagos' and Andres Zaldivar's votes. Consequently, given that there are two slates, under the current electoral system just as under the one in effect in 1973, proportionality indicates that one slate can take both seats that are up for election if it garners twice the vote of the other one, leaving the other without representation. If it does not receive twice the number of votes, one candidate from each slate must be selected. That is the way it has always been in Chile, and that is what is fair from the standpoint of representativeness.

[LA NACION] But personally, how do you feel being a senator with fewer votes than the CPPD candidate?

[Guzman] I don't feel anything in particular...just the peace of mind that comes with having been elected in a system that is completely representative and fair, because the Democracy and Progress slate won many more votes than Ricardo Lagos' slate.

Leadership

[LA NACION] What do you think is the political consequence of Ricardo Lagos' defeat?

[Guzman] I think that his political leadership has been seriously dented. Time will tell whether he will be able to regain his position in the political arena...it is difficult to predict how the Socialist and Marxist sectors will deal with the electoral defeat they suffered, quite aside from the Lagos case. The citizens' verdict was a resounding defeat for what is known as the left. This is one of the greatest achievements of the current regime, because it implies a change in the mentality and attitudes that prevailed among the citizenry before 1973.

[LA NACION] Some members of the UDI said that you were destined to be the leader of the opposition within the next 4 years.

[Guzman] I don't believe leaderships should be exclusive or of the caudillo type. I think that any political sector should have several leaders who, instead of competing among themselves, combine their influence to multiply

the fruit of their efforts. Leadership consists of guiding and orienting public opinion and mobilizing people to work for certain objectives; it is not a task that can be concentrated on a single person.

[LA NACION] But do you feel you have the necessary qualities to carry out that leadership?

[Guzman] In fact I have always exercised significant leadership in a broad sector of public opinion, and I think that it has been expanded and strengthened by my recent election victory. But I view it as a responsibility, not an attempt to dominate anyone. Moreover, I believe that our sector will be capable of generating several leaders who can work together toward our common objectives.

[LA NACION] What other individuals do you visualize as leaders of the opposition, either in RN or the UDI?

[Guzman] I would prefer to restrict myself to my own party so as not to interfere in the internal situation of others. I think that in the UDI there are excellent potential leaders, such as Pablo Longueira, Andres Chadwick, Juan Antonio Coloma, Patricio Melero, and Francisco Bartolucci. I also see outstanding leadership qualities in the senator-elect for the UDI from the Concepcion-Talcahuano area, Eugenio Cantuarias.

[LA NACION] In your opinion, what is the political consequence of your victory as a senator?

[Guzman] The fact that I contributed very significantly to the consolidation of the UDI as one of the four main political parties in the country. I feel that this is one of the principal political phenomena of the most recent election. We are an entirely new party that is not the continuation of a traditional political party. We are a new generation coming into Congress, and without a doubt, the fact that we won a senatorial seat in the most difficult district of the most important region in the country adds to the success that we achieved in our congressional representation and in the percentage of the electorate we have been able to reach.

With or Without RN

[LA NACION] How do you see RN and the UDI in the political future of the next 4 years?

[Guzman] I think that in the case of the UDI, our purpose is to form a loyal, constructive, and creative opposition, although at the same time we will be very firm in defending our principles and our plan for society. We do not seek the failure of the Aylwin government for the selfish purpose of replacing it in 4 years. We believe that patriotism demands that we always try to ensure the success of governments, because that is an essential requirement for the progress of the country. The task of the opposition should be to aim at helping governments correct those aspects which are considered erroneous, and for this purpose it is necessary that we accompany our criticism with suggestions or alternatives.

[LA NACION] Do you think that National Renewal will agree with your party on the way to carry out the opposition?

[Guzman] I hope so, and I think that for this reason we should coordinate as cohesive an action as possible. We are two parties with different identities and nuances, but we have a solid affinity of principles that allowed us to come together on the presidential platform of Hernan Buchi's candidacy and on his entire campaign. That is why we have proposed to RN a stable political alliance to counterbalance the CPPD. This is essentially necessary if we consider that we are the only two parties with legislative representation that do not belong to the CPPD, which will govern as of next March.

[LA NACION] Do you think RN will be willing to enter into such an alliance, bearing in mind that Sergio Onofre Jarpa stated that it should be studied by the General Council that meets next April?

[Guzman] It is obvious that if the response to our proposal is to delay it for several months, we should understand that they are not willing to accept an initiative that we are certain interprets the attitudes of the broad sectors of the population that supported the Democracy and Progress Pact. In that case, we would have to design our future strategy completely separately from National Renewal. But I hope that party responds positively. If not, public opinion will be the one to determine whether each party has a stronger or weaker spirit of unity.

[LA NACION] What is your opinion of the center-center party that Francisco Javier Errazuriz is trying to form?

[Guzman] I think Francisco Javier Errazuriz' political action is taking on the style of a populist caudillo movement, an anachronistic movement that does not engage in serious political activity. In a mature country such as Chile, this should only be a passing phenomenon.

[LA NACION] In other words, that center-center party also fits your description?

[Guzman] If it actually materializes, it will be no more than that.

Buchi's Role

[LA NACION] What role do you think former presidential candidate Hernan Buchi should play in the next 4 years?

[Guzman] Hernan Buchi has expressed his intention to establish a research center that will support the work of the legislators elected in the Democracy and Progress Pact. The UDI has demonstrated its enthusiastic willingness to join in this initiative, because we think Hernan Buchi is someone whose personal qualities and vocation for public service are truly extraordinary and should not be overlooked by those of us who share a basically common set of ideas.

[LA NACION] Aside from that, and bearing in mind the great potential you attribute to the former candidate, what other role do you think he should play in the country?

[Guzman] I think that in that position, he will be able to exert a very constructive and fruitful influence. He is one of the most intelligent people around, and he has a mastery of the broadest range of problems ever seen. That is his greatest comparative advantage, and maybe that is why he is planning to channel his public service vocation in the manner I have just described.

Role of UDI

[LA NACION] Some members of your party have indicated that the UDI could play a major role in civilian-military relations during the government of Patricio Aylwin. What do you think about that?

[Guzman] I think that the UDI can play a very important role in future civilian-military relations, and our participation in the current regime has given us a better understanding and appreciation of the Armed Forces and the Carabineros, a more profound and thorough familiarity than other political sectors have. We have been a government alongside the Armed Forces, although not as a party, because the Military Government has been above partisanship. But as individuals we have held important responsibilities in the current government.

[LA NACION] But how would the UDI help optimize civilian-military relations during the Aylwin government?

[Guzman] By conveying to each side the knowledge we have of the other, and by helping to lay the bridges so that stable democratic institutions can be built in Chile, which includes keeping the Armed Forces at a high professional level, firmly dedicated to their dual task of obeying and guaranteeing the institutional order of the Republic.

[LA NACION] When you are serving as a senator in Congress, what objective principles or accomplishments of the Military Government will you defend at all costs?

[Guzman] On the one hand, the central features of the Constitution of 1980. This is one of the two fundamental pillars of the current regime's work and of the auspicious prospects for the future of Chile. To destroy these features and return to the institutional structures that prevailed before 1973 would be to place the future democracy in a precarious position. On the other hand, I believe it is essential to defend the elements that make up our current strategy of economic and social development. The social market economy, including an economy that is open to foreign countries, is an objective that must be maintained and protected against measures which, though not always specifically and consciously aimed against this system, could in fact damage it irreparably.

Eliminating Powers

[LA NACION] Of the laws that have yet to be processed by the Government Junta, such as the Organic Law of the Armed Forces, the Law on Education, the Law on the Bank of the State, and others, which do you think should be the subject of consultations or a consensus?

[Guzman] I think that all pending legislation that is of any importance should be opened up to the opinions of the various political sectors, as is happening with the draft Organic Law of the Armed Forces. But this does not mean that the Government Junta should accept any limitations on its power to legislate between now and next 10 March, because that is one of the essential responsibilities inherent in its duty to complete the institutional construction that the Military Government began in 1973.

[LA NACION] Which laws currently in effect would you modify in the next Congress?

[Guzman] I think that there are a lot of laws that should be modified or improved. To mention one simple matter, I think it is imperative that we do away with the president's power to grant private pardons at his own discretion. I think that pardons should always be granted with the consent of another body such as the Senate or the Supreme Court, which would act in good conscience, above and beyond strictly legal considerations, but would prevent any abuse in the granting of pardons. In other eras of the country's history, such abuse reached unacceptable extremes. On the other hand, I think that this limitation would be very useful for a president who wants to make moderate and prudent use of the pardon, because it would protect him from the pressure that would result if he alone had the power to annul or commute a court sentence, as happened to President Pinochet in the case of the union leaders Bustos and Martinez. I proposed this idea publicly in 1981, but unfortunately it was not accepted in the current government. I hope that it will become a reality in the next government, because the current Constitution leaves open the possibility that the legislature could resolve this matter.

Columbia

'Hired Assassins' Kill Patriotic Union Official

PA2302142790 Bogota Radio Cadena Nacional in Spanish 1214 GMT 23 Feb 90

[Text] Medellin—A wake is being held at the Mutata Municipal Council office for Patriotic Union Councilman Damaso Diaz Tapia, who was killed last night near the mayor's office by two hired assassins, who were able to escape.

Mutata Mayor Belarmino Salinas Renteria told Radio Cadena Nacional that the relatives of Diaz Tapia will soon decide whether he will be buried in Mutata this

afternoon or whether he will be buried in San Pedro de Uraba or Arboletes, where some of his other relatives live.

Paraguay

Meeting Held on Plan To Protest Quayle's Visit

PY2202223290 Asuncion ULTIMA HORA in Spanish 22 Feb 90 p 7

[Text] "The idea is not to organize an isolated protest action for Dan Quayle, but a real campaign to make the people aware of how imperialism has harmed the interests of Latin American countries, especially the interests of popular classes." This statement was made by Febrerista Revolutionary Youth [JRF] leader Rodrigo Zelada, referring to the desire of several local political organizations to hold public rallies to protest the U.S. vice president's visit to our country.

During a meeting yesterday, representatives of the Authentic Radical Liberal Youth, MOPALI [Jose G. Rodriguez de Francia Paraguayan Liberation Movement], the Communist Youth, and the JRF exchanged views on the subject. At 1100 [1400 GMT] tomorrow, another meeting will be held with other social and political organizations at the House of the People [Febrerista Revolutionary Party headquarters].

"We intend to close this campaign of information and analysis with a mobilization against the presence of Quayle, but we have not yet arranged the details," Zelada said, adding that "dependence will be the campaign's main issue."

Argana: U.S. State Department Opinion 'Hasty'

PY2202221490 Asuncion ULTIMA HORA in Spanish 22 Feb 90 p 13

[Text] Foreign Minister Luis Maria Argana said this afternoon that the opinions on the current Paraguayan sociopolitical situation, outlined in a document released by the U.S. State Department, are a bit hasty.

Upon leaving the Lopez Palace, Argana said: "I believe those opinions are a bit hasty, we should take into account that one year is too short to change a 35-year-old structure. I think the opinions may reflect part of the truth, though not as emphatically as is stated in the document."

Concerning the dependence of judges, he said: "This issue takes its roots in the Constitution. No matter how hard a Supreme Court president may strive for the independence of the judicial branch, as I think I did, there cannot be full freedom of opinion because judges are appointed by the executive branch. Consequently, while the system for the appointment of judges, which is set forth by the Constitution, remains unchanged, the problem will continue, regardless of the government's willingness or unwillingness to solve it."

Asked about the influence that the U.S. State Department report may have on the international community, Argana replied: "It is an opinion. A U.S. State Department report does not have regulatory power. From my own viewpoint, this opinion is a bit hasty and unfair to Paraguay and to the government of General Rodriguez, because they cannot expect us to be able to change a 35-year-old structure, with its own particular features we are all familiar with, in such a short time; however, many things have been done."

He went on to say that "I have not read the original document but rather a summary from the press. I believe one should read the document before giving an opinion, because journalists sometimes cut sentences and give an abbreviated report with incomplete sentences."

Asked whether the U.S. opinion may be regarded as a red light and that some adjustments should be made, he replied: "Obviously, I believe we should take this positively and that we should take advantage of this type of criticism to perform a self-examination and detect possible mistakes."

He also reported that U.S. Vice President Dan Quayle and the Venezuelan, Guatemalan, and Costa Rican presidents will arrive in Asuncion on 14 March.

Peru

APRA Proposes Alliance With Leftist Sectors

PY2302015090 Madrid EFE in Spanish 1645 GMT 22 Feb 90

[Text] Lima, 22 Feb (EFE)—The ruling American Popular Revolutionary Alliance [APRA] proposed an alliance with the leftist sector to prevent a possible victory by Mario Vargas Llosa, the presidential candidate of the center-right Democratic Front [FREDEMO].

During a meeting yesterday, held by the Communist Labor Federation, APRA presidential candidate Luis Alva Castro proposed an alliance in the face of the 8 April presidential elections. Alva Castro is the APRA general secretary, a deputy and former economic minister of the current administration.

Alva Castro said: "We must join to defeat them because that (Vargas Llosa's) political project is endangering the great achievements of the labor sector and the progress made in the country over the past 50 years."

According to Alva Castro, the United Left, the Socialist Left, and APRA, a self-styled democratic left, are popular movements "which are not separated by an abyss, we should be prepared to take joint action."

Despite support of the three parties by most Peruvian people, Alva Castro said he made the proposal for a runoff election taking into account that Mario Vargas

Llosa, "the rightist candidate," will not obtain 51 percent of the vote he will legally need to win in the first election.

According to latest public opinion polls, writer Vargas Llosa will receive between 46 and 53 percent of the vote, while APRA and the leftist parties have not reached those percentages.

Alva Castro described the possible FREDEMO victory as a "civilian dictatorship." He also charged Vargas Llosa with making use of all powers of the state "to wipe out leftist sectors, including their unions."

Some leftist sectors have criticized the socioeconomic policy of the current APRA government and do not want to join this unpopular party at all.

Socialist leftist presidential candidate Alfonso Barrantes' failure to attend yesterday's meeting, to which he was invited, proves this point.

Barrantes has just presented his government plan which contains points that are rather similar to those of Vargas Llosa.

Terrorists Murder Explosives Factory Managers

PY2202130890 Madrid EFE in Spanish 2133 GMT 21 Feb 90

[Text] Lima, 21 Feb (EFE)—The National Police reported today that two directors of the Fuses and Explosives Factory [Fabrica de Mechas y Explosivos] (FAMESA), the most important factory of explosives in Peru, have been murdered by a terrorist command because they refused to cooperate with the guerrillas.

The police identified the victims as Juan Chacaltana, the industrial relations manager, and Ricardo Cruces, the personnel manager. They were shot several times yesterday in the presence of workers when they were about to enter the factory, which is located in Puente de Piedra, 30 km north of Lima.

According to preliminary investigations, several unidentified individuals had threatened Chacaltana and Cruces with death because these two directors have refused to give explosives as a "war contribution" to the Shining Path Maoist group.

The police stated that since the Shining Path began its armed struggle a decade ago, FAMESA has suffered three attacks that caused property damage worth several million intis, but this is the first time the terrorists have murdered any of the directors.

An Interior Ministry communique released last night reported the death of 11 terrorists in two confrontations with the national police on 17 and 18 February in Andamarca, Junin Province, 310 km east of Lima.

An official document, which does not identify the victims nor the terrorist group to which they belonged, states that during the confrontation the police seized a considerable amount of weapons, explosives, and subversive propaganda.

The national police also reported that on the night of 18 February, Shining Path militants killed six people in the district of Ortigal, Yauyos Province, 180 km southeast of Lima. The police reported that among the victims were the district judge, the governor (civilian authority), a director of a primary school, a councilman, and two peasant leaders.

The Shining Path began its armed struggle in 1980 and the Marxist Tupac Amaru Revolutionary Movement (MRTA) emerged four years later.

According to a report by the Peruvian Senate commission that is investigating the problem of political violence in Peru, terrorist activities have caused the death of more than 18,000 civilians and military personnel and property damage has been estimated at more than $16 billion.

Uruguay

Lacalle Outlines Pact With Colorados, Ministers

PY2202000790 Montevideo Radio Carve in Spanish 2300 GMT 21 Feb 90

[All names and ministries as heard]

[Excerpt] President-elect Luis Alberto Lacalle has said in a news conference that the accord reached with the Colorado Party will expedite the work of Congress under the new administration. He confirmed that Colorado Party members will be named to head the Ministries of Tourism, Public Health, Industry and Energy, and Housing and Environment. The latter ministry will be created by the new administration. Lacalle added that the Colorado Party will report the names of the new ministers.

Lacalle confirmed that Wilson Enzo Gogni will be minister of transportation and public works, Guillermo Garcia Costa will be minister of culture, and Engineer Alvaro Ramos will be minister of agriculture, livestock and fisheries. He said that a Blanco Party technician, whose name will be released in the next few hours, will be designated labor minister. [passage omitted]

Venezuela

Defense Minister Threatens To Use Armed Forces

PA2202193090 Hamburg DPA in Spanish 1725 GMT 22 Feb 90

[Text] Caracas, 22 Feb (DPA)—Venezuelan Defense Minister General Filmo Lopez Uzcategui has said that the Armed Forces might leave their garrisons to insure order in the country. He warned that the Armed Forces will not wait "for a war to defend the fatherland."

According to today's press reports, Lopez Uzacatgui told a congressional committee in Caracas that "we are completely ready to meet all the nation's security requirements."

Meanwhile, President Carlos Andres Perez said he will firmly curb "the abuses by people who infiltrate into demonstrations to rob and loot."

Tuesday, 27 February, will mark the first anniversary of the social upheaval known as the "Caracazo," which left an official death toll of about 300.

The defense minister made these statmenets in the wake of looting, student protests, and violent clashes with security forces early this week in several Venezuelan cities. His statements, carried in the headlines of today's papers, surprised the congressional committee that had summoned him yesterday to explain the death of several citizens in military garrisons.

He said: "We cannot remain in our garrisons. We must answer the call to uphold social peace. We cannot wait for the disturbances to escalate into looting and burning important parts of cities before reacting."

He said that the Armed Forces "must control these outbreaks of disorder and violence. He said that if the police had enough personnel, "we would not have to come out."

The defense minister called on the Venezuelan political leaders to transmit "calm" to the Venezuelan people on 27 February, the first anniversary of the bloody "Caracazo."

Meanwhile, the cities in the eastern part of the country, Puerto La Cruz and Barcelona, where more than 30 shops were looted on 20 February, were patrolled today by National Guard, police, and Air Force units. In the two cities some of the stores and schools were closed. However, in Merida, in western Venezuela, where there were also violent student protests at the beginning of the week, commerce and education activities were resumed.

Perez Says U.S. Panama Action 'Deplorable'

PM2202111690 Madrid DIARIO 16 in Spanish 30 Jan 90 pp 20-21

[Interview with President Andres Perez by Celso Marti in Caracas; date not given]

[Excerpt] [passage omitted] [Marti] Mr. President, on 3 February, it will be a year since you took over the presidency of Venezuela. Briefly, how would you assess your first year in power?

[Perez] The first year in power has been very difficult and traumatic, because Venezuela has undergone a policy of extremely radical economic adjustments. The Venezuelan currency was devalued by over 150 percent. That represented a very severe blow to private enterprise and to the state's ability to invest. GDP fell by eight percent. However, it should be said that the worst is now over.

We have succeeded in reducing deficit spending [el deficit fiscal] from eight percent to 1.6 percent. Foreign currency reserves, which were $300 million a year ago, are now over $2.5 billion. The inflation rate was just 1.7 percent in December. We can say that in 1989 we gave the Venezuelan economy a sound foundation, enabling us to make 1990 the first year of growth.

[Marti] Growth that has had a high social cost....

[Perez] The economy has a goal and purpose, which is the community. The economic plan has undoubtedly had quite a high social cost. Nevertheless, we have introduced aid programs for the neediest groups. For instance, around 3 million children and tens of thousands of poor people throughout the country have benefited from the so-called "food grant." We have readjusted wages twice and started a major employment plan. We have contrived, although not with complete success, to reduce this social cost.

[Marti] Does your government envisage changing its economic policy line in this new stage of recovery?

[Perez] No, that is impossible. The economic policy is a medium- and long-term policy and must not be discontinued, because that would mean turning back. This does not mean that essential changes are not being made to meet any shortcoming which may develop. That is why we have the system of consultation. We meet constantly with the country's workers and employers.

[Marti] In your opinion, what significance does the invasion of Panama by the United States have for Latin America?

[Perez] It was an extremely grave action at a time when relations between the United States and Latin America had excellent prospects. There was a trend toward dialogue and understanding. It is very deplorable and distressing, because it disturbs relations between our countries and also provides a motive for the Latin American extremist sectors, which make anti-Americanism one of their main characteristics.

I must also say that we Latin Americans did very little to try to avert in time this deplorable event which could be seen coming every day.

[Marti] Yet your government was always very critical of General Noriega's regime, and even proposed Panama's expulsion from the Group of Eight last month...

[Perez] Unfortunately, despite constant efforts to seek more decisive action by Latin America, I did not succeed. As I have already said, I am convinced that if we had acted better, we could have prevented matters from reaching the point which was reached.

[Marti] What is Venezuela's stance with respect to the new Panamanian Government?

[Perez] Venezuela defined its stance four hours after the U.S. troops went in: 1) to condemn the invasion totally and absolutely 2) to acknowledge that President Endara's government has an indisputable source of legitimacy, since it is no secret that he won the elections; on the other hand, to take the view that the conditions brought about create difficulties for the government's functioning, and that it is virtually impossible to recognize the new Panamanian Government within a process of occupation. We will await the invasion troops' departure before making a decision.

[Marti] The extraditables seem to have surrendered to President Virgilio Barca's government. What is your opinion of the Colombian drug traffickers' proposal, and how, in your opinion, should drug trafficking be tackled?

[Perez] This is a very complex situation, on which it is very difficult to express an opinion. I am not pessimistic, but the problem cannot be resolved through the extraditables' surrender or otherwise. I believe that a major international agreement is needed in order to tackle this problem. It is a wrong assessment, for instance, on the part of the United States when it maintains that the problem lies in the producer countries. I believe that it lies in the great demand which exists in the United States. Countries such as Bolivia and Peru cannot be asked to give up coca leaf production without alternative crops.

[Marti] Let us talk now about Europe, Mr. President. How, as a political leader and statesman, do you assess the recent developments in the Eastern bloc countries?

[Perez] What is happening in the Soviet world will have extraordinary importance and will change the course of world politics, but, at the same time, it must prompt us to conduct a number of reflections. The confrontation between the two blocs could be a form of protection for the weak countries.

When this situation disappears, the balance, which can be definitively and acceptably created only by sure observance of international law, is lost. What happened in Panama certainly had an influence. We were surprised to hear hints from Europe's major democratic nations to the Soviet Union that it intervene in Romania.

[Marti] Do you believe that the attention paid by the rich countries to the Eastern bloc countries could reduce the amount of financial aid for Latin America?

[Perez] There is a very widespread tendency to worry about that, but I do not believe so. There are other concomitant factors. For instance, the military-industrial complex will find itself greatly affected by the phenomenon of detente. Enormous resources will take another direction. Latin America has a reserve of considerable resources which mankind needs. The industrialized countries will have to increase their trade with Latin America insofar as it succeeds in resolving its economic problems.

[Marti] What point has Venezuela reached in negotiating the repayment of its foreign debt?

[Perez] This is an extremely complex process. We have adopted very firm but, at the same time, discreet stances. We did not wish to reach confrontational situations which complicate, rather than help, the situation.

Today the standpoint from which the IMF and the World Bank view the debt problem has changed considerably. The political importance which the Bush administration and the European countries are attaching to this problem also helps our negotiations, and I believe that they could be completed satisfactorily over the next few weeks within a process similar to Mexico's. [passage omitted]

French Guiana

Ariane Rocket With Japanese Satellites Explodes

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[Text] Kourou, French Guiana, 22 Feb (AFP)—The Ariane rocket launched this evening with two Japanese satellites aboard exploded in the air two minutes after it was launched, officials in charge of the Kourou Space Center in French Guiana announced this evening.

Frederick D'Allest, president of Arianespace, has announced that the accident was a result of "a problem in the jet system" two minutes after this 36th launching of an Ariane rocket, which was completely normal and took place at 2317 GMT, he noted.

Shortly before the explosion, which destroyed the rocket and the two satellites, Space Center and Arianespace technicians noticed a change of course. D'Allest said that "all Ariane launchings are suspended until the reasons for the accident are determined." He called for a news conference on the morning of 23 February.

The Ariane rocket was going to put in orbit two Japanese satellites: the Superbird-B, for telecommunications, and the BS-2X, for direct television. The rocket was only carrying, and for the first time, Japanese satellites.

The failure of this second 1990 flight comes after 17 successful launchings in a row, the longest string of successful launchings since the inaugural flight of this European rocket on 24 December 1979 from Kourou. The last accident had taken place on 31 May 1986, on Ariane's 18th mission.

This failure represents a severe setback for the European rocket in its tough struggle with Japanese and North Americans, especially, to conquer the satellite launch market.

Until now, Arianespace had 50 percent of that market. It has already discussed the launching in the next few years of 32 rockets, launchings that would produce the equivalent of $2.411 billion.